

BILL ANALYSIS

Senate Research Center

H.B. 1135
By: Kubiak (Nixon)
State Affairs
5-6-97
Engrossed

DIGEST

Federal employees who are licensed by the state are being taxed inconsistently according to applicable statutes. Attorneys employed by the federal government do not pay their occupation tax, which is directly collected by the state comptroller. The comptroller determined administratively that federally employed attorneys do not pay this tax. However, certified public accountants employed by the federal government, and specifically prohibited from outside employment, are not exempt from their occupation tax due to language in the Public Accountancy Act.

PURPOSE

As proposed, H.B. 1135 exempts federally employed certified public accountants from the imposition of an occupational tax.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 9A, Article 41a-1, V.T.C.S., by adding Subsections (d) and (e), to provide that the increase in fees and the additional fee provided by Subsections (a) and (b) do not apply to a license holder who is an employee of the federal government and restricted, by virtue of the license holder's employment, from engaging in the practice of public accountancy outside the scope of the license holder's employment by the federal government. Provides that the increase in fees and the additional fee do not apply to a license holder who is an employee of a state agency that has authorized the payment of the fee increase and additional fee on behalf of the license holder.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Emergency clause.
Effective date: 90 days after adjournment.