

BILL ANALYSIS

Senate Research Center
77R934 DAK-D

H.B. 244
By: Ellis, Dan (Staples)
Finance
4/17/2001
Engrossed

DIGEST AND PURPOSE

Current law does not provide for a sales and use tax exemption for a boat or motor that is used by a volunteer fire department or other emergency service organization. Volunteer fire departments in Texas provide a necessary service but their capital budgets tend to be minimal. As proposed, H.B. 244 provides such a tax exemption if the boat or motor is used exclusively by the department or organization.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 160B, Tax Code, by adding Section 160.0245, as follows:

Sec. 160.0245. EXEMPTION FOR EMERGENCY SERVICE ORGANIZATIONS.
Provides that the taxes imposed by this chapter do not apply to the sale of a taxable boat or motor to or to the use of a taxable boat or motor by a volunteer fire department or other department, company, or association organized for the purpose of answering fire alarms and extinguishing fires or for the purpose of answering fire alarms, extinguishing fires, and providing emergency medical services, the members of which receive no compensation or only nominal compensation for their services rendered, if the boat or motor is used exclusively by the department, company, or association.

SECTION 2. (a) Effective date: upon passage or September 1, 2001.

(b) Makes application of this Act prospective.