

BILL ANALYSIS

Senate Research Center
79R11195 JD-F

H.B. 809
By: Hilderbran (Staples)
Finance
5/11/2005
Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, Section 22.01, Tax Code, requires the rendering of personal property used in the production of income for ad valorem tax purposes. In the 78th Legislature, Regular Session, 2003, S.B. 340 amended that section to create a penalty for the failure to render such properties and provided criteria for the information that is required to be included in the rendition statement. However, it was not the intent of S.B. 340 to require an individual's personal motor vehicle to be rendered.

H.B. 809 clarifies that an individual's personal vehicle that may be used in the production of income and is also used for the individual's personal use is not required to be rendered.

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 Section 22.01, Tax Code, by adding Subsection (k), as follows:

(k) Provides that, notwithstanding Subsections (a) and (b), an individual who owns and operates one or more passenger cars or light trucks in the course of the individual's occupation or profession, and also operates those vehicles for personal activities that do not involve the production of income, is not required to render the vehicles for taxation. Defines "passenger car" and "light truck."

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: January 1, 2006.