

BILL ANALYSIS

Senate Research Center
82R12740 KLA-F

H.B. 2383
By: Geren (Harris)
Finance
5/17/2011
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 2383 amends the Tax Code to create a temporary provision, set to expire September 1, 2013, requiring the Legislative Budget Board (LBB) to conduct a study of the costs and benefits to the state of reenacting the tax credit for research and development activities that was in effect in 2006 and of the types of research and development incentives available in other states. This bill authorizes LBB to seek the assistance of other state agencies in conducting the study but requires the study to be completed using existing resources available to LBB and any assisting agencies. This bill requires LBB to report the results of the study to the legislature not later than January 1, 2013.

H.B. 2383 amends current law relating to a study regarding the reenactment of the franchise tax credit or providing other incentives for certain research and development activities.

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 Subchapter E, Chapter 171, Tax Code, by adding Section 171.215, as follows:

Sec. 171.215. STUDY OF INCENTIVES FOR RESEARCH AND DEVELOPMENT ACTIVITIES. (a) Requires the Legislative Budget Board (LBB) to conduct a study of:

(1) the costs and benefits to the state of reenacting the tax credit for research and development activities in effect under Subchapter O [repealed] before the repeal of that subchapter by Chapter 1 (H.B. 3), Acts of the 79th Legislature, 3rd Called Session, 2006; and

(2) the types of research and development incentives available in other states.

(b) Authorizes LBB to seek the assistance of other state agencies in conducting the study, but requires that the study be completed using existing resources available to LBB and any assisting agencies.

(c) Requires LBB to report the results of the study to the legislature not later than January 1, 2013.

(d) Provides that this section expires September 1, 2013.

SECTION 2. Effective date: upon passage or September 1, 2011.