

## **BILL ANALYSIS**

Senate Research Center  
85R12160 SMH-F

H.B. 3103  
By: Darby (Bettencourt)  
Finance  
5/17/2017  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Interested parties note confusion regarding the state's jurisdiction to tax tangible personal property in relation to trucking companies that operate their tractors and trailers throughout the United States. H.B. 3103 clarifies that taxing jurisdiction by specifying circumstances under which property is considered to be used continually, whether regularly or irregularly, in Texas.

H.B. 3103 amends current law relating to the jurisdiction of this state to tax tangible personal property that is used continually in this state.

### **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 11.01, Tax Code, by adding Subsection (e), as follows:

(e) Provides that, for purposes of Subsection (c)(3) (relating to providing that this state has jurisdiction to tax tangible personal property if the property is used continually, whether regularly or irregularly, in this state), property is considered to be used continually, whether regularly or irregularly, in this state if the property is used in this state three or more times on regular routes or for three or more completed assignments occurring in close succession throughout the year. Provides that, for purposes of this subsection, a series of events are considered to occur in close succession throughout the year if they occur in sequence within a short period at intervals from the beginning to the end of the year.

SECTION 2. Provides that the amendments made by this Act are a clarification of existing law and do not imply that existing law may be construed as inconsistent with the law as amended by this Act.

SECTION 3. Effective date: upon passage or September 1, 2017.