

1-1 By: Murphy (Senate Sponsor - Perry) H.B. No. 3992  
 1-2 (In the Senate - Received from the House May 5, 2017;  
 1-3 May 10, 2017, read first time and referred to Committee on Finance;  
 1-4 May 19, 2017, reported favorably by the following vote: Yeas 12,  
 1-5 Nays 0; May 19, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Nelson	X			
1-8 Hinojosa	X			
1-9 Bettencourt	X			
1-10 Birdwell	X			
1-11 Hancock	X			
1-12 Huffman			X	
1-13 Kolthorst	X			
1-14 Nichols	X			
1-15 Schwertner			X	
1-16 Seliger	X			
1-17 Taylor of Galveston	X			
1-18 Uresti	X			
1-19 Watson	X			
1-20 West	X			
1-21 Whitmire			X	

1-23 A BILL TO BE ENTITLED  
 1-24 AN ACT

1-25 relating to a franchise tax exemption for certain cooperatives with  
 1-26 a member that has farmer-fruit grower members.

1-27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-28 SECTION 1. Section 171.071, Tax Code, is amended to read as  
 1-29 follows:

1-30 Sec. 171.071. EXEMPTION--FARMERS' COOPERATIVE SOCIETY. A  
 1-31 cooperative that is either a farmers' cooperative society  
 1-32 incorporated under Chapter 51, Agriculture Code, or a cooperative  
 1-33 whose single member is a farmers' cooperative described in Section  
 1-34 521(b)(1), Internal Revenue Code, that has at least 500  
 1-35 farmer-fruit grower members, is exempted from the franchise tax.

1-36 SECTION 2. The amendment made by this Act to Section  
 1-37 171.071, Tax Code, is a clarification of existing law.

1-38 SECTION 3. This Act takes effect immediately if it receives  
 1-39 a vote of two-thirds of all the members elected to each house, as  
 1-40 provided by Section 39, Article III, Texas Constitution. If this  
 1-41 Act does not receive the vote necessary for immediate effect, this  
 1-42 Act takes effect September 1, 2017.

1-43 \* \* \* \* \*