

1-1 By: Hancock S.B. No. 559
1-2 (In the Senate - Filed January 20, 2017; February 8, 2017,
1-3 read first time and referred to Committee on Business & Commerce;
1-4 March 16, 2017, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 9, Nays 0; March 16, 2017,
1-6 sent to printer.)

1-7	COMMITTEE VOTE				
1-8		Yea	Nay	Absent	PNV
1-9	Hancock	X			
1-10	Creighton	X			
1-11	Campbell	X			
1-12	Estes	X			
1-13	Nichols	X			
1-14	Schwertner	X			
1-15	Taylor of Galveston	X			
1-16	Whitmire	X			
1-17	Zaffirini	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 559 By: Hancock

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to the application of the miscellaneous gross receipts tax
1-22 on utility companies.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 182.021(1), Tax Code, is amended to read
1-25 as follows:

1-26 (1) "Utility company" means a person:
1-27 (A) who owns or operates a gas or water works, or
1-28 water plant used for ~~[local]~~ sale and distribution ~~[located]~~ within
1-29 an incorporated city or town in this state; or

1-30 (B) who owns or operates an electric light or
1-31 electric power works, or light plant used for ~~[local]~~ sale and
1-32 distribution ~~[located]~~ within an incorporated city or town in this
1-33 state, or who is a retail electric provider, as that term is defined
1-34 in Section 31.002, Utilities Code, that makes ~~[local]~~ sales within
1-35 an incorporated city or town in this state; provided, however, that
1-36 a person who owns an electric light or electric power or gas plant
1-37 used for distribution but who does not make retail sales to the
1-38 ultimate consumer within an incorporated city or town in this state
1-39 is not included in this definition.

1-40 SECTION 2. Section 182.022(a), Tax Code, is amended to read
1-41 as follows:

1-42 (a) A tax is imposed on each utility company that makes a
1-43 sale to an ultimate consumer ~~[located]~~ in an incorporated city or
1-44 town having a population of more than 1,000, according to the last
1-45 federal census next preceding the filing of the report.

1-46 SECTION 3. Section 182.025(e)(3), Tax Code, is amended to
1-47 read as follows:

1-48 (3) "Public utility" means:
1-49 (A) a person who owns or operates a gas or water
1-50 works or water plant used for ~~[local]~~ sale and distribution
1-51 ~~[located]~~ within an incorporated city or town in this state; or
1-52 (B) an electric utility or transmission and
1-53 distribution utility providing distribution service within an
1-54 incorporated city or town in this state.

1-55 SECTION 4. This Act takes effect September 1, 2017.

1-56 * * * * *