

1-1 By: Parker S.B. No. 1058
1-2 (In the Senate - Filed February 3, 2025; February 24, 2025,
1-3 read first time and referred to Committee on Business & Commerce;
1-4 March 31, 2025, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 10, Nays 0; March 31, 2025,
1-6 sent to printer.)

1-7 COMMITTEE VOTE

1-8	Yea	Nay	Absent	PNV
1-9	X			
1-10			X	
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 1058 By: Campbell

1-21 A BILL TO BE ENTITLED
1-22 AN ACT

1-23 relating to the exclusion of certain securities transaction
1-24 payments from the total revenue of a taxable entity that is a
1-25 registered securities market operator.

1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-27 SECTION 1. Section 171.0001(13-a), Tax Code, is amended to
1-28 read as follows:

1-29 (13-a) "Security," for purposes of Sections
1-30 171.1011(g), 171.1011(g-2), 171.1011(y), 171.1011(z), and
1-31 171.106(f) only, has the meaning assigned by Section 475(c)(2),
1-32 Internal Revenue Code, and includes instruments described by
1-33 Sections 475(e)(2)(B), (C), and (D) of that code.

1-34 SECTION 2. Section 171.1011, Tax Code, is amended by adding
1-35 Subsections (y) and (z) to read as follows:

1-36 (y) A taxable entity that is a registered securities market
1-37 operator shall exclude from its total revenue transaction rebate
1-38 payments made by the operator to a broker or dealer as part of a
1-39 securities transaction.

1-40 (z) For purposes of Subsection (y):

1-41 (1) "Broker" has the meaning assigned by 15 U.S.C.
1-42 Section 78c(a)(4).

1-43 (2) "Dealer" has the meaning assigned by 15 U.S.C.
1-44 Section 78c(a)(5).

1-45 (3) "Registered securities market operator" means an
1-46 entity that is:

1-47 (A) engaged in activities described in category
1-48 523210 of the 2022 North American Industry Classification System;
1-49 and

1-50 (B) subject to registration with and regulation
1-51 by the United States Securities and Exchange Commission or the
1-52 United States Commodity Futures Trading Commission.

1-53 (4) "Securities transaction" means the purchase or
1-54 sale of a security by a broker or dealer.

1-55 (5) "Transaction rebate payment" means an amount paid
1-56 to incentivize a broker or dealer to provide liquidity to the
1-57 market.

1-58 SECTION 3. This Act applies only to a report originally due
1-59 on or after the effective date of this Act.

1-60 SECTION 4. This Act takes effect January 1, 2026.

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