

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB2433
Version:	FULLPCS2
Request Number:	8081
Author:	Rep. Osborn
Date:	5/24/2017
Impact:	Please see previous summary of this measure

Research Analysis

The fullpcs2 for HB2433 modifies the sales tax exemption for motor vehicles. Currently, sales of motor vehicles or any optional equipment or accessories attached to a motor vehicle are exempt from state and local sales tax and subject to an in lieu motor vehicle excise tax. The measure keeps the sales tax exemption for motor vehicles, but reduces it from a full exemption to all but 1.25 percent of the gross receipts for such sales. As a result, motor vehicle sales will now be subject to both motor vehicle excise tax equal to 3.25 percent and state sales tax equal to 1.25 percent.

Prepared By: Quyen Do

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: Mark Tygret

Other Considerations

None.