

CHAPTER 587

S.B. No. 892

AN ACT

relating to simplifying the application, calculation, administration and reporting of, and the calculation of interest on, certain taxes; providing penalties.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 79, Public Utility Regulatory Act (Article 1446c, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 79. All assessments shall be due on August 15 of each year. Any public utility may instead make quarterly payments due on August 15, November 15, February 15, and May 15 of each year. There shall be assessed as a penalty an additional fee of 10 percent of the amount due for any late payment. Fees delinquent for more than 30 days shall draw interest at the rate of 12 percent per annum~~[-compounded monthly,]~~ on the assessment and penalty due.

SECTION 2. Subsection (b), Section 4, Article 6060, Revised Statutes, is amended to read as follows:

(b) A tax imposed by this article that becomes delinquent draws interest at the rate of 12 percent a year~~[-compounded monthly,]~~ beginning on the 60th day after the date the tax becomes delinquent until the date the tax is paid.

SECTION 3. Section 101.007, Tax Code, is amended to read as follows:

Sec. 101.007. REFERENCES TO STATE OFFICERS. A reference in this *code* ~~[title]~~ to the comptroller, the treasurer, or another officer includes authorized representatives and employees of the officer unless the provision indicates that only the officer is intended in the reference.

SECTION 4. Subchapter A, Chapter 111, Tax Code, is amended by adding Section 111.023 to read as follows:

Sec. 111.023. WRITTEN AUTHORIZATION. *The comptroller may require that a report, return, declaration, claim for refund, or other document that is required or permitted to be filed with the comptroller and that is submitted by an attorney, accountant, or other representative of a person on behalf of the person be accompanied by express written authorization of the person in whose name or on whose behalf it is purportedly submitted.*

SECTION 5. Subsection (a), Section 111.060, Tax Code, is amended to read as follows:

(a) The yearly interest rate on all delinquent taxes imposed by this title is 12 percent~~[-compounded monthly].~~

SECTION 6. Subchapter C, Chapter 111, Tax Code, is amended by adding Section 111.1042 to read as follows:

Sec. 111.1042. *TAX REFUND: INFORMAL REVIEW.* (a) *The comptroller may informally review a claim for refund filed in accordance with this title and may grant or deny it, in whole or in part.*

(b) *An informal review under this section is not a hearing or contested case under the Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes).*

(c) *This section does not impair the right to a hearing on a claim for refund provided in Section 111.105.*

SECTION 7. Subsections (a) and (b), Section 111.105, Tax Code, are amended to read as follows:

(a) A person claiming a refund under Section 111.104 of this code is entitled to a ~~an oral~~ hearing on the claim if the person requests a hearing *in accordance with procedures prescribed by the comptroller.* The person is entitled to 20 days' notice of the time and place of the hearing.

(b) A decision of the comptroller *following a hearing* on a claim for a refund becomes final 20 days after service on the claimant of the notice of the order or decision.

SECTION 8. Section 111.107, Tax Code, is amended to read as follows:

Sec. 111.107. *WHEN REFUND OR CREDIT IS PERMITTED.* *Except as otherwise expressly provided, a [A] person may request a refund or a credit or the comptroller may make a refund or issue a credit for the overpayment of a tax imposed by this title at any time before the expiration of the period during which the comptroller may assess a deficiency for the tax and not thereafter unless the refund or credit is requested:*

(1) *under Subchapter B of Chapter 112 [of this code] and the refund is made or the credit is issued under a court order;*

(2) *under the provision of Section 111.104(c)(3) applicable to a refund claim filed after a jeopardy or deficiency determination becomes final; [or]*

(3) *under Chapter 153; or*

(4) *under Section 151.318(g) or (n) [of this code].*

SECTION 9. Section 111.108, Tax Code, is amended to read as follows:

Sec. 111.108. *RECOVERY OF REFUND OR CREDIT.* (a) *Within four years after the date that a refund is erroneously paid or an amount of credit is erroneously allowed, the [The] comptroller may recover the [an amount of] refund [erroneously paid] or [an amount of] credit [erroneously allowed] in a jeopardy or deficiency determination [issued within four years after the date of refund or credit].*

(b) *This section does not extend or toll a period of limitation under this title for filing a timely claim for a refund.*

SECTION 10. Section 111.205, Tax Code, is amended to read as follows:

Sec. 111.205. *EXCEPTION TO ASSESSMENT LIMITATION.* (a) *The limitation provided by Section 111.201 of this code does not apply and the comptroller may assess a tax imposed by this title at any time if:*

(1) *with intent to evade the tax, the taxpayer files a false or fraudulent report;*

(2) *no report for the tax has been filed; or*

(3) *information contained in the report of the tax contains a gross error [and the amount of tax due and payable after correction of the error is 25 percent or more greater than the amount initially reported; or*

~~[(4) a taxpayer has filed a timely claim for refund with the comptroller; however, the assessment is limited to the period and type of tax for which the refund is sought].~~

(b) *In this section, "gross" error means that, after correction of the error, the amount of tax due and payable exceeds the amount initially reported by at least 25 percent.*

SECTION 11. Subchapter D, Chapter 111, Tax Code, is amended by adding Section 111.2051 to read as follows:

Sec. 111.2051. ASSESSMENT WHEN REFUND CLAIMED. (a) Notwithstanding the expiration of any period of limitation provided under this title, the comptroller may assess a tax imposed by this title if a taxpayer files a timely claim for refund with the comptroller.

(b) An assessment authorized by this section is limited to the tax payment period and type of tax for which the refund is sought and must be made before the later of:

(1) four years after the date the refund claim is filed with the comptroller; or

(2) the expiration of the applicable limitation period for making assessments as otherwise provided by this title.

(c) This section extends only the time in which the comptroller may assess the tax and does not extend or toll a period of limitation under this title for filing a timely claim for refund.

SECTION 12. Section 151.103, Tax Code, is amended to read as follows:

Sec. 151.103. COLLECTION BY RETAILER; PURCHASER'S RECEIPT. (a) A retailer engaged in business in this state who makes a sale of a taxable item for storage, use, or consumption in this state shall collect the use tax that is due from the purchaser and give the purchaser a receipt for the tax payment. *When the amount of use tax is added:*

(1) it becomes a part of the sales price;

(2) it is a debt of the purchaser to the seller until paid; and

(3) if unpaid, it is recoverable at law in the same manner as the original sales price.

(b) The purchaser's receipt must be issued in the form and manner prescribed by the comptroller.

(c) When several taxable items are sold together and at the same time, the use tax is determined on the sum of the sales prices of the items sold exclusive of any item the storage, use, or other consumption of which is exempted by this chapter.

SECTION 13. Subsection (a), Section 151.308, Tax Code, is amended to read as follows:

(a) The following are exempted from the taxes imposed by this chapter:

(1) oil as taxed by Chapter 202;

(2) sulphur as taxed by Chapter 203;

(3) motor fuels and special fuels as defined, taxed, or exempted by Chapter 153;

(4) cement as taxed by Chapter 181;

(5) motor vehicles, trailers, and semitrailers as defined, taxed, or exempted by Chapter 152 or 157, *other than a mobile office as defined by Section 152.001(16);*

(6) mixed beverages, ice, or nonalcoholic beverages and the preparation or service of these items if the receipts are taxable by Chapter 202, Alcoholic Beverage Code;

(7) alcoholic beverages when sold to the holder of a private club registration permit or to the agent or employee of the holder of a private club registration permit if the holder or agent or employee is acting as the agent of the members of the club and if the beverages are to be served on the premises of the club;

(8) oil well service as taxed by Subchapter E, Chapter 191; and

(9) insurance premiums subject to gross premiums taxes.

SECTION 14. Subsection (c), Section 151.318, Tax Code, is amended to read as follows:

(c) The exemption does not include:

(1) machinery, equipment, or replacement parts or their accessories having a useful life when new in excess of six months;

(2) intraplant transportation equipment, maintenance or janitorial supplies or equipment, or other machinery, equipment, materials, or supplies that are used incidentally in a manufacturing, processing, or fabrication operation;

(3) hand tools; *or*

(4) office equipment or supplies, equipment or supplies used in sales or distribution activities, research or development of new products, or transportation activities, or other

tangible personal property not used in an actual manufacturing, processing, or fabrication operation[; ~~or~~

~~[(5) internal or external wrapping, packing, and packaging supplies, as defined by Section 151.302(d), purchased for a person's own use, stored for use, or used in wrapping, packing, or packaging tangible personal property].~~

SECTION 15. Section 151.328, Tax Code, is amended by amending Subsection (a) and adding Subsections (f) and (g) to read as follows:

(a) Aircraft are exempted from the taxes imposed by this chapter if:

(1) sold to a person using the aircraft as a certificated or licensed carrier of persons or property;

(2) sold to a person and used for the exclusive purpose of training or instructing pilots in a licensed course of instruction; ~~[or]~~

(3) sold to a foreign government; or

(4) sold to a person for use and registration in another state or nation before any use in this state other than flight training in the aircraft and the transportation of the aircraft out of this state ~~[or to persons who are not residents of this state].~~

(f) To qualify for the exemption provided under Subsection (a)(4), the person purchasing the aircraft in this state must sign at the time of purchase an exemption certificate that:

(1) is designated as an exemption certificate for the purchase of an aircraft for out-of-state registration and use;

(2) is on a form designated by the comptroller;

(3) contains all information the comptroller considers reasonable;

(4) is signed by the purchaser at the time of the purchase; and

(5) provides that that purchaser, by signing the certificate, authorizes the comptroller to provide a copy of the certificate to the state or nation of intended use and registration.

(g) A person commits an offense if the person gives an exemption certificate required under Subsection (f) to a seller for an aircraft that the person knows, at the time of purchase, will be used in a manner other than that expressed in the exemption certificate or the person gives an exemption certificate with fraudulent intent or intent to evade wrongfully the payment of the tax imposed under this chapter. An offense under this subsection is a misdemeanor punishable by a fine not to exceed \$500.

SECTION 16. Section 151.330, Tax Code, is amended by adding Subsections (h) and (i) to read as follows:

(h) The sale of tangible personal property to a common carrier is exempted from the sales tax imposed by Subchapter C if the tangible personal property:

(1) is shipped to a point outside this state using the purchasing carrier's facilities under a bill of lading; and

(2) is actually transported to the out-of-state destination for use by the carrier in the conduct of its business as a common carrier outside this state.

(i) The storage or use of tangible personal property acquired outside this state for use as a repair or replacement part for and actually affixed in this state to a self-propelled vehicle that is used as a licensed and certificated common carrier of persons or property is exempted from the use tax imposed by Subchapter D.

SECTION 17. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.350 to read as follows:

Sec. 151.350. LABOR TO REPAIR CERTAIN PROPERTY. (a) Labor to repair real or tangible personal property is exempted from the taxes imposed by this chapter if:

(1) the amount of the charge for labor is separately itemized; and

(2) the repair is to property damaged within a disaster area by the condition that caused the area to be declared a disaster area.

(b) The exemption under this section does not apply to tangible personal property transferred as part of the repair.

(c) In this section, “disaster area” means:

(1) an area declared a disaster area by the governor under Chapter 418, Government Code; or

(2) an area declared a disaster area by the president of the United States under 42 U.S.C. Section 5141.

SECTION 18. Section 152.001, Tax Code, is amended by amending Subdivision (4) and adding Subdivision (16) to read as follows:

(4) “Motor Vehicle” does not include:

(A) a device moved only by human power;

(B) a device used exclusively on stationary rails or tracks; ~~or~~

(C) road-building machinery; or

(D) a mobile office.

(16) “Mobile office” means a trailer designed to be used as an office, sales outlet, or other workplace.

SECTION 19. Section 152.044, Tax Code, is amended to read as follows:

Sec. 152.044. PAYMENT BY SELLER. If the comptroller on an audit of the records of a seller finds that the amount of tax due was incorrectly reported on a joint *statement* ~~[affidavit]~~ and that the amount of tax paid was less than the amount due or that the seller failed to execute and deliver to the purchaser a joint *statement* ~~[affidavit]~~ and any other documents necessary to register the vehicle, the seller and purchaser are jointly and severally ~~[is]~~ liable for the amount of the tax determined to be due.

SECTION 20. Section 152.062, Tax Code, is amended to read as follows:

Sec. 152.062. REQUIRED STATEMENTS ~~[AFFIDAVITS]~~. (a) The persons obligated by this chapter to pay taxes on the transaction shall file a joint *statement* ~~[affidavit]~~ with the tax assessor-collector of the county in which the application for registration and for a Texas certificate of title is made.

(b) The *statement* ~~[affidavit]~~ must be in the following form:

(1) if a motor vehicle is sold, the seller and purchaser shall make a joint *statement of* ~~[affidavit stating]~~ the then value in dollars of the total consideration for the vehicle; or

(2) if the ownership of a motor vehicle is transferred as the result of a gift or even exchange, the principal parties shall make a joint *statement describing* ~~[affidavit stating]~~ the nature of the transaction.

(c) If a party to a sale, even exchange, or gift is a corporation, the president, vice-president, secretary, manager, or other authorized officer of the corporation shall make the *statement* ~~[affidavit]~~ for the corporation.

(d) The comptroller shall promulgate rules to govern the enforcement of this section. The rules shall include standard value guidelines to assist a tax assessor-collector in determining the truth and accuracy of material facts in a joint *statement* ~~[affidavit]~~.

(e) The tax assessor-collector shall examine each joint *statement* ~~[affidavit]~~ for the purpose of determining the truth and accuracy of the information it contains. If the tax assessor-collector or the comptroller has reason to question the truth of the information in a *statement* ~~[an affidavit]~~, or if any material fact fails to meet the guidelines promulgated by the comptroller, the tax assessor-collector or the comptroller shall require any party to the *statement* ~~[affidavit]~~ to furnish substantiation of information contained in the *statement* ~~[affidavit]~~.

(f) The tax assessor-collector shall immediately report to the nearest peace officer and to the comptroller, the name and address of each party whose name is signed on a joint *statement* ~~[affidavit]~~ found to be false in any material fact.

(g) The tax assessor-collector shall keep a copy of each *statement* ~~[affidavit]~~ and any substantiating materials required to be furnished in connection therewith until it is called for by the comptroller for auditing or by any court of competent jurisdiction.

SECTION 21. Section 152.063, Tax Code, is amended by adding Subsections (d), (e), (f), and (g) to read as follows:

(d) *A seller's business records must show the total receipts from all sources of income and expense, including transactions involving motor vehicles.*

(e) *For a retail sale for which the seller receives full payment at the time of sale, the seller shall keep, at the seller's principal office for at least four years from the date of the sale, documentation of complete payment in the form of:*

(1) *a copy of the payment instrument or a receipt for cash received; and*

(2) *a copy of the receipt for title application, registration, and motor vehicle tax issued by the county tax assessor-collector or a written statement by the purchaser that:*

(A) *is signed and dated;*

(B) *indicates the date on which the seller provided to the purchaser each of the documents necessary to apply for the title, register the vehicle, and pay the motor vehicle sales tax; and*

(C) *includes a statement that the seller advised the purchaser that the purchaser must pay a tax to the county tax assessor-collector.*

(f) *For a sale for resale, the seller shall keep, at the seller's principal office for at least four years from the date of the sale, the purchaser's written statement of resale on a form prescribed by the comptroller.*

(g) *Any person, other than the seller's employee, acting for the seller of a motor vehicle has the same record-keeping responsibilities as the seller.*

SECTION 22. Section 152.089, Tax Code, is amended to read as follows:

Sec. 152.089. **VEHICLES TAXED BY OTHER LAW.** The taxes imposed by this chapter do not apply to motor vehicles, trailers, and semitrailers *on which tax is imposed by* ~~taxed under~~ Chapter 157 of this code, and the taxes imposed by Chapter 157 of this code do not apply to motor vehicles *on which tax is imposed by* ~~taxed under~~ this chapter; provided that if a motor vehicle, trailer, or semitrailer *on which tax is imposed by* ~~taxed under~~ Chapter 157 of this code ceases to be used as an interstate motor vehicle, trailer, or semitrailer within one year of either the date the vehicle was purchased in Texas or the date the vehicle was first brought into Texas, the taxes imposed by this chapter will apply at that time.

SECTION 23. Section 152.092, Tax Code, is amended to read as follows:

Sec. 152.092. **MOTOR VEHICLES TRANSPORTED OUT OF STATE.** (a) The taxes imposed by this chapter do not apply to the retail sale of a motor vehicle that is transported out of state, prior to any use in this state other than the transportation of the vehicle out of state, for use exclusively outside this state.

(b) *To qualify for the exemption provided by this section the purchaser of a motor vehicle must sign at the time of the purchase an exemption certificate that:*

(1) *is on a form designated by the comptroller;*

(2) *contains all information the comptroller considers reasonable;*

(3) *is signed by the purchaser; and*

(4) *provides that the purchaser, by signing the certificate, authorizes the comptroller to provide a copy of the certificate to the state of intended use and registration.*

SECTION 24. Section 152.101, Tax Code, is amended to read as follows:

Sec. 152.101. **PENALTY FOR SIGNING FALSE STATEMENT OR CERTIFICATE [AFFIDAVIT].** (a) A person commits an offense if the person signs a joint statement ~~[affidavit]~~ required by Section 152.062 or a certificate required by Section 152.092(b) ~~[of this code]~~ and knows that it is false in any material fact.

(b) An offense under this section is a felony punishable by imprisonment for not less than two nor more than five years or a fine of not more than \$1,000, or both.

SECTION 25. Subsection (a), Section 152.103, Tax Code, is amended to read as follows:

(a) A seller commits an offense if *the seller* [~~he~~] fails to make and retain complete records for the period of four years as provided by *Subchapter D* [~~Section 152.063(a) of this code~~].

SECTION 26. Subdivision (9), Section 157.001, Tax Code, is amended to read as follows:

(9) "Purchase" means a lease of or a transfer of title to a motor vehicle, trailer, or semitrailer for consideration [~~includes a lease for a time period exceeding 180 days except the lease of a motor vehicle with a driver~~].

SECTION 27. Subdivision (10), Section 157.001, Tax Code, is amended to read as follows:

(10) "Preceding year" means the period of 12 consecutive calendar months immediately prior to *January* [~~September~~] 1 or any other day that the comptroller may designate.

SECTION 28. Section 157.001, Tax Code, is amended by adding Subdivision (11) to read as follows:

(11) "Lease" means an agreement by an owner of a motor vehicle, trailer, or semitrailer to give to another for longer than 180 days under a single agreement exclusive use of the vehicle without a driver for consideration.

SECTION 29. Section 157.101, Tax Code, is amended to read as follows:

Sec. 157.101. TAXES [TAX] IMPOSED. Sales [~~There is levied a motor vehicle sales~~] and use taxes are imposed [tax] on interstate motor vehicles, trailers, and semitrailers:

(1) purchased in this state or purchased outside this state and brought into this state by a motor carrier that is a resident of this state or is domiciled or doing business in this state;

(2) hired with a driver by a motor carrier that is a resident of this state or is domiciled or doing business in this state to transport persons or property over the carrier's routes and under the authority of the carrier's permits; or

(3) contracted by a motor carrier that is a resident [~~operated by motor carriers which are residents~~] of this state or is [are] domiciled or doing business in this state for use as trip-leased equipment.

SECTION 30. Section 160.001, Tax Code, is amended by adding Subdivisions (10) and (11) to read as follows:

(10) "Seller-financed sale" means a retail sale of a taxable boat or boat motor in which the seller collects all or part of the total consideration in periodic payments and retains a lien on the boat or boat motor until all payments have been received. The term does not include a retail sale of a taxable boat or boat motor in which a person other than the seller provides the consideration for the sale and retains a lien on the boat or boat motor as collateral.

(11) "Title" means the certificate of title document as provided for under Chapter 31, Parks and Wildlife Code.

SECTION 31. Section 160.046, Tax Code, is amended to read as follows:

Sec. 160.046. RECORDS. (a) The seller of a taxable boat or motor shall keep at the seller's [his] principal office for at least four years from the date of the sale a complete record of each sale of a taxable boat or motor. The record must include a copy of the invoice of each item sold. The invoice copy must show the full price of the taxable boat or motor and the itemized price of all its accessories. All sales and supporting records of a seller are open to inspection and audit by the comptroller.

(b) A seller's business records must show the total receipts from all sources of income and expense, including transactions involving taxable boats and motors.

(c) For a retail sale for which the seller receives full payment at the time of sale, the seller shall keep, at the seller's principal office for at least four years from the date of the sale, documentation of complete payment in the form of:

(1) a copy of the payment instrument or a receipt for cash received; and

(2) a copy of the receipt for title application, registration, and boat or boat motor tax issued by the county tax assessor-collector or the department or a written statement by the purchaser that:

(A) is signed and dated;

(B) indicates the date on which the seller provided to the purchaser each of the documents necessary to apply for the title, register the taxable boat or boat motor, and pay the boat or boat motor tax; and

(C) includes a statement that the seller advised the purchaser that the purchaser must pay a tax to the county tax assessor-collector or the department.

(d) For a seller-financed sale, the seller shall keep at the seller's principal office for at least four years from the date on which the seller receives the final payment for the taxable boat or motor:

(1) the lienholder's copy of the receipt for title application, registration, and boat or boat motor tax issued by a county tax assessor-collector or the department; and

(2) a ledger or other document containing a complete record of the payment history for that boat or boat motor, including:

(A) the name and address of the purchaser;

(B) the total consideration;

(C) the amount of the down payment received at the time the boat or boat motor is sold;

(D) the date and amount of each subsequent payment;

(E) the date of sale; and

(F) the date of any repossession.

(e) For a sale for resale, the seller shall keep, at the seller's principal office for at least four years from the date of the sale, the purchaser's written statement of resale on a form prescribed by the comptroller.

(f) Any person, other than the seller's employee, acting for the seller of a taxable boat or boat motor has the same record-keeping responsibilities as the seller.

SECTION 32. Subchapter D, Chapter 160, Tax Code, is amended by adding Section 160.062 to read as follows:

Sec. 160.062. *PENALTY FOR SIGNING FALSE AFFIDAVITS.* (a) A person commits an offense if the person signs a joint affidavit required by Section 160.042 and knows that it is false in any material fact.

(b) An offense under this section is a misdemeanor punishable by a fine not to exceed \$500.

SECTION 33. Subchapter A, Chapter 202, Tax Code, is amended by adding Section 202.006 to read as follows:

Sec. 202.006. *TAXPAYER IDENTIFICATION NUMBER.* (a) Except as otherwise provided by Subsection (b), each producer must obtain a taxpayer identification number from the comptroller.

(b) A producer whose only ownership interest in the oil is a royalty interest must obtain a tax identification number from the comptroller only if the producer has elected to take the producer's share of production in kind or if the comptroller determines that the producer's activity or interest requires that a number be assigned to protect the state's interest in the tax attributable to the producer.

SECTION 34. Section 202.201, Tax Code, is amended to read as follows:

Sec. 202.201. *PRODUCER'S REPORT.* (a) A producer authorized by the comptroller to remit the tax due shall file with the comptroller, on [On] or before the 25th day of each calendar month, the report under this subsection and, as applicable, the report under Subsection (d) showing the total [each producer or his authorized agent shall file a report with the comptroller. The report must contain the following information concerning] oil produced, used, lost or stolen, or possessed and otherwise unaccounted for by the producer during the preceding calendar month. The report under this subsection must show:

(1) the number of barrels of oil produced;

(2) the counties in which oil was produced;

(3) the name, address, and taxpayer identification number assigned by the comptroller of each first purchaser of oil and for each the amount of oil purchased [~~names of the leases from which the oil was produced~~];

(4) the price, by amounts, received for the oil for [~~name and address of~~] each first purchaser [~~of the oil~~];

(5) the name of the lease from which the oil was produced [~~price received for the oil from each first purchaser~~]; and

(6) other information the comptroller may reasonably require.

(b) If the report the producer is required to file shows additional tax due, the producer must pay the additional tax when he files the report. Notwithstanding any other provision of this code, if the producer fails to remit a reasonable estimate of the tax due in accordance with Section 202.1515 of this chapter, a penalty of 10 percent of the delinquent required reasonable estimate will be forfeited and due along with any additional tax due with the report specified in this section.

(c) A producer whose only sales are to a purchaser who remits the tax due under Section 202.153 is not required to file a report on the oil sold.

(d) A producer shall file a crude oil special tax report with the comptroller and pay the applicable tax imposed under this chapter if any oil has been used, lost or stolen, or possessed and otherwise unaccounted for by the producer after it has been produced and measured. The producer must file the report on or before the 25th day of the month following the month in which the oil is used, lost or stolen, or possessed and otherwise unaccounted for. The report must show:

(1) the total number of barrels of oil used, lost or stolen, or possessed and otherwise unaccounted for by the producer;

(2) where the oil was used, lost or stolen, or possessed and otherwise unaccounted for; and

(3) other information the comptroller may reasonably require.

(e) A producer that is no longer in business shall notify the comptroller of this fact on or before the 25th day of the first month following the producer's last day of business.

SECTION 35. Subsection (d), Section 182.087, Tax Code, is repealed.

SECTION 36. Section 31.041, Parks and Wildlife Code, is amended to read as follows:

Sec. 31.041. DEALER'S AND MANUFACTURER'S NUMBER. (a) A dealer or manufacturer of vessels [~~motorboats~~] in this state may obtain a dealer's and manufacturer's number for vessels the dealer or manufacturer [~~motorboats he~~] wishes to show, demonstrate, or test on the water of this state instead of securing a certificate of number for each vessel [~~boat~~]. The number shall be attached to any vessel [~~motorboat~~] that the dealer or manufacturer [~~he~~] sends temporarily on the water.

(b) The application for a number must state that the applicant is a dealer or manufacturer within the meaning of this chapter, and the facts stated on the application must be sworn before an officer authorized to administer oaths. The application must be accompanied by photographs of the business sufficient to show any sign the business is required to display and the extent of the space the business is required to maintain. The application must also be accompanied by a copy of the tax permit of the dealer or manufacturer issued by the comptroller under Chapter 151, Tax Code, if the dealer or manufacturer has a tax permit. The two-year fee for a dealer's and manufacturer's number is \$45 or an amount set by the commission, whichever amount is more. No number may be issued until the provisions of this section have been satisfied.

(c) A dealer or manufacturer holding a dealer's and manufacturer's number may issue a reasonable temporary facsimile of the number which may be used by any authorized person. A person purchasing a vessel [~~motorboat~~] may use the dealer's number for a period not to exceed 15 days prior to filing an application for a certificate of number. The form of the facsimile and the manner of display shall be prescribed by the department.

(d) A dealer or manufacturer holding a dealer's and manufacturer's number may transfer a certificate of number or a certificate of title to a vessel or outboard motor without securing

a certificate of number or certificate of title in the dealer's or manufacturer's name if the vessel or outboard motor is sold in the normal course of the dealer's or manufacturer's business. Any other person transferring a vessel or outboard motor must secure a certificate of number or certificate of title in the person's name before transferring the certificate of number or the certificate of title.

SECTION 37. (a) Except as provided by Subsections (b) and (c) of this section, this Act takes effect October 1, 1993.

(b) Sections 3, 4, 6, 7, 8, 9, 10, and 11 of this Act take effect September 1, 1993.

(c) Sections 1, 2, 5, 33, and 34 of this Act take effect January 1, 1994.

SECTION 38. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed the Senate on April 30, 1993, by a viva-voce vote; the Senate concurred in House amendments on May 28, 1993, by a viva-voce vote; passed the House, with amendments, on May 26, 1993, by a non-record vote.

Approved June 13, 1993.

Effective Oct. 1, 1993, except §§ 3, 4, and 6 to 11 effective Sept. 1, 1993 and §§ 1, 2, 5, 33, and 34 effective Jan. 1, 1994.