

1 AN ACT

2 relating to declaratory relief for businesses in this state for
3 liability for sales and use taxes of other states.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Chapter 37, Civil Practice and Remedies Code, is
6 amended by adding Section 37.0055 to read as follows:

7 Sec. 37.0055. DECLARATIONS RELATING TO LIABILITY FOR SALES
8 AND USE TAXES OF ANOTHER STATE. (a) In this section, "state"
9 includes any political subdivision of that state.

10 (b) A district court has original jurisdiction of a
11 proceeding seeking a declaratory judgment that involves:

12 (1) a party seeking declaratory relief that is a
13 business that is:

14 (A) organized under the laws of this state or is
15 otherwise owned by a resident of this state; or

16 (B) a retailer registered with the comptroller
17 under Section 151.106, Tax Code; and

18 (2) a responding party that:

19 (A) is an official of another state; and

20 (B) asserts a claim that the party seeking
21 declaratory relief is required to collect sales or use taxes for
22 that state based on conduct of the business that occurs in whole or
23 in part within this state.

24 (c) A business described by Subsection (b)(1) is entitled to

1 declaratory relief on the issue of whether the requirement of
2 another state that the business collect and remit sales or use taxes
3 to that state constitutes an undue burden on interstate commerce
4 under Section 8, Article I, United States Constitution.

5 (d) In determining whether to grant declaratory relief to a
6 business under this section, a court shall consider:

7 (1) the factual circumstances of the business's
8 operations that give rise to the demand by the other state; and

9 (2) the decisions of other courts interpreting Section
10 8, Article I, United States Constitution.

11 SECTION 2. Section 37.0055, Civil Practice and Remedies
12 Code, as added by this Act, applies only to a cause of action that
13 accrues on or after the effective date of this Act. A cause of
14 action that accrues before the effective date of this Act is
15 governed by the law in effect at the time the action accrued, and
16 the former law is continued in effect for that purpose.

17 SECTION 3. This Act takes effect September 1, 2007.

David Dewhurst

President of the Senate

Tom Craddick

Speaker of the House

I certify that H.B. No. 2010 was passed by the House on April 25, 2007, by the following vote: Yeas 143, Nays 0, 1 present, not voting.

Robert Haney
Chief Clerk of the House

I certify that H.B. No. 2010 was passed by the Senate on May 21, 2007, by the following vote: Yeas 31, Nays 0.

Astley Sear
Secretary of the Senate

APPROVED: 15 JUN 07

Date

RICK PERRY

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
5 PM O'CLOCK

JUN 15 2007
Roger Winnie
Secretary of State