

By: Torres

H.C.R. No. 93

CONCURRENT RESOLUTION

1           WHEREAS, The Texas marine industry was placed at a severe  
2 disadvantage in July 2010, when Florida instituted a cap on sales  
3 and use taxes for boat sales; and

4           WHEREAS, In Florida, the maximum sales or use tax that may be  
5 levied against a sale of a boat or vessel is now \$18,000; once the  
6 sales or use tax is paid, the owner has the right to keep the boat in  
7 Florida as long as desired; the Florida Boat-Sales Use Tax Cap  
8 legislation, also known as the Florida Maritime Full Employment  
9 Act, was included in the larger Jobs for Florida Bill because the  
10 state had been losing boat sales and service business and the  
11 attendant jobs and revenue to other states and countries offering  
12 more favorable sales tax treatment; and

13           WHEREAS, The Florida sales and use tax cap is expected to  
14 stimulate sales, especially of boats valued at over \$300,000, and  
15 to encourage boat buyers and current owners to register, keep, and  
16 use their watercraft in the state; according to one estimate, this  
17 stimulus will allow Florida to gain an estimated \$18.7 million in  
18 sales tax revenue while creating more jobs in the marine industry;  
19 and

20           WHEREAS, Texas is currently the country's second largest boat  
21 sales market, but its sales tax laws discourage the purchase of  
22 vessels over 65 feet, and the new sales and use tax cap in Florida  
23 gives that state an advantage that is likely to cost the Lone Star  
24 State sales, tax revenue, and jobs; and

1           WHEREAS, To remain competitive in the marine services  
2 industry, Texas must ensure that its tax policies do not encourage  
3 prospective boat buyers to take their business to another state;  
4 now, therefore, be it

5           RESOLVED, That the 82nd Legislature of the State of Texas  
6 hereby request the lieutenant governor and the speaker of the house  
7 of representatives to create a joint interim committee to study tax  
8 policy as it relates to boat sales and marine services and to  
9 evaluate the competitiveness of the marine services industry in  
10 Texas as compared to Florida; and, be it further

11           RESOLVED, That the committee's proceedings and operations be  
12 governed by such general rules and policies for joint interim  
13 committees as the 82nd Legislature may adopt.