



## 2017 Texas Franchise (aka “Margin”) Tax Update

UT Law CLE  
26<sup>th</sup> Annual LLCs, LPs and Partnerships

July 13, 2017

Steven D. Moore  
Jackson Walker LLP  
100 Congress Avenue, Suite 1100  
Austin, Texas 78701  
512-236-2074  
smoore@jw.com

### Overview & Objectives

1. Texas Franchise Tax Legislative and Judicial Update
2. Common M&A considerations – successor liability, gains/losses, other traps, etc.
3. Case Studies

# Texas Franchise Tax Legislation

## SB 17 (2017 Reg. Session)

If a biennium revenue certification by the Texas Comptroller exceeds the certification for prior biennium by > 5%, then ½ of such excess must be used to reduce the franchise tax rate proportionately, but not below 0%.

[See also HB 28]

Did not pass and not included in Special Session directive.

## **HB 4002 (2017 Reg. Session)**

Texas Comptroller Technical Corrections Bill that clarifies or removes “installation” from the cost of production included in the “cost of goods sold” deduction.

**Passed.**

## **Texas Franchise Tax Judicial Update**

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

Title search: 2017 Texas Franchise (aka "Margin") Tax Update

Also available as part of the eCourse

[2017 LLCs, LPs, and Partnerships eConference](#)

First appeared as part of the conference materials for the

26<sup>th</sup> Annual LLCs, LPs and Partnerships session

"2017 Texas Franchise (aka "Margin") Tax Update"