

By: Cole

H.B. No. 688

A BILL TO BE ENTITLED

AN ACT

relating to sales and use tax exemptions for certain computers sold during a limited period.

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

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.3271 to read as follows:

Sec. 151.3271. CERTAIN COMPUTERS FOR LIMITED PERIOD.

(a) In this section:

(1) "Personal computer" means a laptop, desktop, tower computer system, or other personal computer that includes a central processing unit, random access memory, a storage device, a display monitor, and a keyboard.

(2) "Smartphone" means a mobile telephone that performs many of the functions of a computer, is typically operated by use of a touchscreen, has Internet access capability, and has an operating system capable of running downloaded applications.

(3) "Tablet computer" means a mobile computer designed for general personal computing purposes that is primarily operated by use of a touchscreen or stylus.

(b) The sale or storage, use, or other consumption of a personal computer or tablet computer is exempted from the taxes imposed by this chapter if the personal computer or tablet computer:

(1) is purchased during the period described by

1 Section 151.326(a)(2); and

2 (2) has a sales price of \$500 or less.

3 (c) The exemption provided by this section does not apply to  
4 a smartphone.

5 SECTION 2. The change in law made by this Act does not  
6 affect tax liability accruing before the effective date of this  
7 Act. That liability continues in effect as if this Act had not been  
8 enacted, and the former law is continued in effect for the  
9 collection of taxes due and for civil and criminal enforcement of  
10 the liability for those taxes.

11 SECTION 3. This Act takes effect immediately if it receives  
12 a vote of two-thirds of all the members elected to each house, as  
13 provided by Section 39, Article III, Texas Constitution. If this  
14 Act does not receive the vote necessary for immediate effect, this  
15 Act takes effect September 1, 2023.