

By: Talarico

H.B. No. 4425

A BILL TO BE ENTITLED

AN ACT

relating to a temporary exemption from sales and use taxes for household goods.

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

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.360 to read as follows:

Sec. 151.360. HOUSEHOLD GOODS FOR LIMITED PERIOD. (a) In this section, "household goods" means clothing, furniture, linens, china, crockery, kitchenware, medical equipment and supplies, children's toys, baby supplies, tools, pet supplies, and cleaning supplies.

(b) The sale of a taxable item is exempted from the taxes imposed by this chapter if:

(1) the item is household goods;

(2) the sales price of the item is less than \$200; and

(3) the sale takes place during the period beginning at 12:01 a.m. Friday, January 5, 2024, and ending at 11:59 p.m. Sunday, January 7, 2024.

(c) The exemption provided by Subsection (b) does not apply to electronics or accessories, including jewelry, handbags, luggage, umbrellas, wallets, watches, and similar items carried on or about the human body, without regard to whether worn on the body in a manner characteristic of clothing.

(d) This section expires January 31, 2024.

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

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