

By: Raney

H.J.R. No. 104

A JOINT RESOLUTION

1 proposing a constitutional amendment to authorize the legislature
2 to exempt from ad valorem taxation a percentage of the market value
3 of the tangible personal property a person owns that consists of
4 inventory held for sale at retail.

5 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Article VIII, Texas Constitution, is amended by
7 adding Section 1-w to read as follows:

8 Sec. 1-w. (a) The legislature by general law may exempt
9 from ad valorem taxation a percentage not to exceed 75 percent of
10 the market value of the tangible personal property a person owns
11 that consists of inventory held for sale at retail.

12 (b) The legislature by general law may define "inventory"
13 for the purposes of this section.

14 (c) Subsection (a) of this section applies to the ad valorem
15 taxation of tangible personal property that consists of inventory
16 held for sale at retail only for the 2026 and subsequent tax years.
17 The ad valorem taxation of tangible personal property that consists
18 of inventory held for sale at retail for the 2024 and 2025 tax years
19 is governed by this subsection. The legislature by general law may
20 exempt from ad valorem taxation a percentage of the market value of
21 the tangible personal property a person owns that consists of
22 inventory held for sale at retail. For the 2024 tax year, the amount
23 of the exemption may not exceed 20 percent of the market value of
24 the inventory. For the 2025 tax year, the amount of the exemption

1 may not exceed 50 percent of the market value of the inventory.

2 This subsection expires January 1, 2026.

3 SECTION 2. This proposed constitutional amendment shall be
4 submitted to the voters at an election to be held November 7, 2023.
5 The ballot shall be printed to permit voting for or against the
6 proposition: "The constitutional amendment to authorize the
7 legislature to exempt from ad valorem taxation a percentage of the
8 market value of the tangible personal property a person owns that
9 consists of inventory held for sale at retail."