

1-1 By: Button, et al. (Senate Sponsor - Campbell) H.B. No. 135
 1-2 (In the Senate - Received from the House April 2, 2025;
 1-3 April 3, 2025, read first time and referred to Committee on
 1-4 Finance; April 23, 2025, reported favorably by the following vote:
 1-5 Yeas 11, Nays 0; April 23, 2025, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12			X	
1-13	X			
1-14	X			
1-15	X			
1-16			X	
1-17	X			
1-18	X			
1-19			X	
1-20	X			
1-21	X			
1-22			X	

1-23 A BILL TO BE ENTITLED
 1-24 AN ACT

1-25 relating to exemptions from sales and use taxes for game animals and
 1-26 exotic animals.
 1-27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-28 SECTION 1. Section 151.316(a), Tax Code, is amended to read
 1-29 as follows:
 1-30 (a) Subject to Section 151.1551, the following items are
 1-31 exempted from the taxes imposed by this chapter:
 1-32 (1) horses, mules, and work animals;
 1-33 (2) animal life the products of which ordinarily
 1-34 constitute food for human consumption;
 1-35 (3) feed for farm and ranch animals;
 1-36 (4) feed for animals that are held for sale in the
 1-37 regular course of business;
 1-38 (5) seeds and annual plants the products of which:
 1-39 (A) ordinarily constitute food for human
 1-40 consumption;
 1-41 (B) are to be sold in the regular course of
 1-42 business; or
 1-43 (C) are used to produce feed for animals exempted
 1-44 by this section;
 1-45 (6) fertilizers, fungicides, insecticides,
 1-46 herbicides, defoliants, and desiccants exclusively used or
 1-47 employed on a farm or ranch in the production of:
 1-48 (A) food for human consumption;
 1-49 (B) feed for animal life; or
 1-50 (C) other agricultural products to be sold in the
 1-51 regular course of business;
 1-52 (7) machinery and equipment exclusively used or
 1-53 employed on a farm or ranch in the building or maintaining of roads
 1-54 or water facilities or in the production of:
 1-55 (A) food for human consumption;
 1-56 (B) grass;
 1-57 (C) feed for animal life; or
 1-58 (D) other agricultural products to be sold in the
 1-59 regular course of business;
 1-60 (8) machinery and equipment exclusively used in, and
 1-61 pollution control equipment required as a result of, the

2-1 processing, packing, or marketing of agricultural products by an
2-2 original producer at a location operated by the original producer
2-3 for processing, packing, or marketing the producer's own products
2-4 if:

2-5 (A) 50 percent or more of the products processed,
2-6 packed, or marketed at or from the location are produced by the
2-7 original producer and not purchased or acquired from others; and

2-8 (B) the producer does not process, pack, or
2-9 market for consideration any agricultural products that belong to
2-10 other persons in an amount greater than five percent of the total
2-11 agricultural products processed, packed, or marketed by the
2-12 producer;

2-13 (9) ice exclusively used by commercial fishing boats
2-14 in the storing of aquatic species including but not limited to
2-15 shrimp, other crustaceans, finfish, mollusks, and other similar
2-16 creatures;

2-17 (10) tangible personal property, including a tire,
2-18 sold or used to be installed as a component part of a motor vehicle,
2-19 machinery, or other equipment exclusively used or employed on a
2-20 farm or ranch in the building or maintaining of roads or water
2-21 facilities or in the production of:

- 2-22 (A) food for human consumption;
- 2-23 (B) grass;
- 2-24 (C) feed for animal life; or
- 2-25 (D) other agricultural products to be sold in the
2-26 regular course of business;

2-27 (11) machinery and equipment exclusively used in an
2-28 agricultural aircraft operation, as defined by 14 C.F.R. Section
2-29 137.3;

2-30 (12) tangible personal property incorporated into a
2-31 structure that is used for the disposal of poultry carcasses in
2-32 accordance with Section 26.303, Water Code;

2-33 (13) tangible personal property incorporated into or
2-34 attached to a structure that is located on a commercial dairy farm,
2-35 is used or employed exclusively for the production of milk, and is:

- 2-36 (A) a free-stall dairy barn; or
- 2-37 (B) a dairy structure used solely for maternity
2-38 purposes; ~~and~~

2-39 (14) telecommunications services exclusively provided
2-40 or used for the navigation of machinery and equipment exclusively
2-41 used or employed on a farm or ranch in the building or maintaining
2-42 of roads or water facilities or in the production of:

- 2-43 (A) food for human consumption;
- 2-44 (B) grass;
- 2-45 (C) feed for animal life; or
- 2-46 (D) other agricultural products to be sold in the
2-47 regular course of business;

2-48 (15) exotic animals, as defined by Section 23.51; and

2-49 (16) game animals, as described by Section 63.001,
2-50 Parks and Wildlife Code.

2-51 SECTION 2. The change in law made by this Act does not
2-52 affect tax liability accruing before the effective date of this
2-53 Act. That liability continues in effect as if this Act had not been
2-54 enacted, and the former law is continued in effect for the
2-55 collection of taxes due and for civil and criminal enforcement of
2-56 the liability for those taxes.

2-57 SECTION 3. This Act takes effect immediately if it receives
2-58 a vote of two-thirds of all the members elected to each house, as
2-59 provided by Section 39, Article III, Texas Constitution. If this
2-60 Act does not receive the vote necessary for immediate effect, this
2-61 Act takes effect September 1, 2025.

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