

By: Bernal

H.B. No. 452

A BILL TO BE ENTITLED

AN ACT

relating to a sales and use tax refund for certain small businesses.

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

SECTION 1. Subchapter I, Chapter 151, Tax Code, is amended by adding Section 151.4306 to read as follows:

Sec. 151.4306. TAX REFUNDS FOR CERTAIN SMALL BUSINESSES

(a) This section applies only to small businesses as defined by Section 481.401(10), Government Code, and a person who files a rendition statement under Section 22.01, Tax Code.

(b) Notwithstanding Section 111.104(b), a person who is subject to taxation of income-producing tangible personal property is entitled to an annual refund for taxes paid under this chapter equal to the amount of ad valorem tax paid on income-producing tangible personal property in the previous tax year.

(c) A refund under this section shall not exceed the amount of taxes paid under this chapter.

(d) The comptroller by rule may provide additional procedures for claiming a refund under this section.

SECTION 2. This Act applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this Act.

SECTION 3. This Act takes effect January 1, 2026.