

By: Shapleigh

S.B. No. 39

A BILL TO BE ENTITLED

AN ACT

relating to increasing the cigarette tax to provide child care through certain quality child-care programs.

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

SECTION 1. Section 154.021(b), Tax Code, is amended to read as follows:

(b) The tax rates are:

(1) \$70.50 [~~\$20.50~~] per thousand on cigarettes weighing three pounds or less per thousand; and

(2) the rate provided by Subdivision (1) plus \$2.10 per thousand on cigarettes weighing more than three pounds per thousand.

SECTION 2. Section 154.603, Tax Code, is amended to read as follows:

Sec. 154.603. DISPOSITION OF REVENUE. (a) After the deductions for the purposes provided by Section 154.602 [~~of this code~~], the revenue remaining of the first \$2 of tax received per 1,000 cigarettes for cigarettes weighing three pounds or less per thousand and the first \$4.10 per 1,000 cigarettes of the tax received for cigarettes weighing more than three pounds per thousand is allocated:

(1) 18.75 percent to the foundation school fund; and

(2) 81.25 percent to the general revenue fund.

(b) Except as provided by Subsection (c), the [~~The~~] revenue

1 remaining after the deductions for the purposes provided by Section
2 154.602 [~~of this code~~] and allocation under Subsection (a) [~~of this~~
3 ~~section~~] is allocated to the general revenue fund.

4 (c) The first \$50 of revenue remaining after the deductions
5 for the purposes provided by Section 154.602 and allocation under
6 Subsection (a) shall be deposited to the credit of an account in the
7 general revenue fund to be established by the comptroller. Money
8 may be appropriated from the account only to the Texas Workforce
9 Commission to provide child-care services for low-income families
10 through providers who meet the Texas Rising Star Provider criteria
11 described by 40 T.A.C. Section 809.15(b).

12 SECTION 3. This Act takes effect November 1, 2003.