

Amend CSHB 5 (Senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) Subchapter J, Chapter 154, Tax Code, is amended by adding Section 154.6035 to read as follows:

Sec. 154.6035. ALLOCATION OF CERTAIN REVENUE. (a) Notwithstanding Section 154.603, five percent of the proceeds from the collection of taxes imposed by this chapter attributable to the portion of the tax rate in excess of \$20.50 per thousand on cigarettes, regardless of weight, shall be deposited to the credit of the tobacco cessation and prevention account. The comptroller shall establish the account as an account in the general revenue fund. The account is exempt from the application of Sections 403.095 and 404.071, Government Code. Money in the account may be appropriated only to the Texas Cancer Council for smoking cessation and prevention programs.

(b) Notwithstanding Section 154.603, 95 percent of the proceeds from the collection of taxes imposed by this chapter attributable to the portion of the tax rate in excess of \$20.50 per thousand on cigarettes, regardless of weight, shall be deposited to:

(1) the credit of the property tax relief fund under Section 403.109, Government Code, if H.B. No. 2, Acts of the 79th Legislature, 3rd Called Session, 2006, is enacted and becomes law; or

(2) the credit of the general revenue fund, if H.B. No. 2, Acts of the 79th Legislature, 3rd Called Session, 2006, does not become law.

(c) If money is deposited to the credit of the general revenue fund under Subsection (b)(2), the money may be appropriated only for a purpose that will result in a reduction of school district maintenance and operations tax rates to rates that are less than the rates in effect on January 1, 2006.

(b) Notwithstanding H.B. No. 2, Acts of the 79th Legislature, 3rd Called Session, 2006, to the extent of a conflict between a provision of this section and a provision of any other Act of the 79th Legislature, 3rd Called Session, 2006, including H.B.

No. 2, the provision of this section prevails, regardless of relative dates of enactment.