

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, 40 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 a special account in the general revenue fund and may be appropriated only to provide funding for public education.

(b) Notwithstanding Section 154.603, 30 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 a special account in the general revenue fund and 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.

(c) Notwithstanding Section 154.603, 30 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 a special account in the general revenue fund and may be appropriated only to provide additional funding for health care programs.

(b) Subchapter H, Chapter 155, Tax Code, is amended by adding Section 155.2415 to read as follows:

Sec. 155.2415. ALLOCATION OF CERTAIN REVENUE. (a)
Notwithstanding Section 155.241, 40 percent of the proceeds from the collection of taxes imposed by Section 155.0211 attributable to the portion of the tax rate in excess of 35.213 percent of the manufacturer's list price, exclusive of any trade discount, special discount, or deal, shall be deposited to the credit of a special account in the general revenue fund and may be appropriated only to provide funding for public education.

(b) Notwithstanding Section 155.241, 30 percent of the proceeds from the collection of taxes imposed by Section 155.0211 attributable to the portion of the tax rate in excess of 35.213 percent of the manufacturer's list price, exclusive of any trade discount, special discount, or deal, shall be deposited to the credit of a special account in the general revenue fund and 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.

(c) Notwithstanding Section 155.241, 30 percent of the proceeds from the collection of taxes imposed by Section 155.0211 attributable to the portion of the tax rate in excess of 35.213 percent of the manufacturer's list price, exclusive of any trade discount, special discount, or deal, shall be deposited to the credit of a special account in the general revenue fund and may be appropriated only to provide additional funding for health care programs.

(c) 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.