

By: Farabee

H.B. No. 159

A BILL TO BE ENTITLED

AN ACT

relating to exempting from the sales tax taxable items for personal use by certain permanently disabled veterans.

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

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.333 to read as follows:

Sec. 151.333. CERTAIN PERMANENTLY DISABLED VETERANS. (a)

This section applies only to an individual who:

(1) has been honorably discharged from active service in any branch of the armed forces of the United States or this state; and

(2) has been certified by the United States Department of Veterans Affairs or its successor to have a 100 percent permanent disability sustained, while in active service, through military action, accident, or an illness or disease.

(b) The sale, use, or other consumption in this state of a taxable item is exempted from the taxes imposed by this chapter if:

(1) the sale is made to or the use or other consumption is made by an individual to whom this section applies; and

(2) the sale, use, or other consumption is solely for the personal use of the individual.

(c) The comptroller shall provide a form for an individual to whom this section applies to apply for exempt status. The comptroller shall issue an exemption letter to an applicant to whom

1 this section applies.

2 SECTION 2. This Act takes effect June 1, 2006, if this Act
3 receives a vote of two-thirds of all the members elected to each
4 house, as provided by Section 39, Article III, Texas Constitution.
5 If this Act does not receive the vote necessary for effect on that
6 date, the Act takes effect September 1, 2006.