

By: Branch

H.B. No. 81

A BILL TO BE ENTITLED

1 AN ACT

2 relating to expanding the limited period for exemptions from the
3 sales tax for clothing and footwear.

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

5 SECTION 1. The heading to Section 151.326, Tax Code, is
6 amended to read as follows:

7 Sec. 151.326. CLOTHING AND FOOTWEAR FOR LIMITED PERIODS
8 [~~PERIOD~~].

9 SECTION 2. Section 151.326(a), Tax Code, is amended to read
10 as follows:

11 (a) The sale of an article of clothing or footwear designed
12 to be worn on or about the human body is exempted from the taxes
13 imposed by this chapter if:

14 (1) the sales price of the article is less than \$100;
15 and

16 (2) the sale takes place during:

17 (A) a period beginning at 12:01 a.m. on the first
18 Friday in August and ending at 11:59 p.m. [~~12 midnight~~] on the
19 following Sunday; or

20 (B) a period beginning at 12:01 a.m. on the
21 second Friday in January and ending at 11:59 p.m. on the following
22 Sunday.

23 SECTION 3. The change in law made by this Act does not
24 affect taxes imposed before the effective date of this Act, and the

1 law in effect before the effective date of this Act is continued in
2 effect for purposes of the liability for and collection of those
3 taxes.

4 SECTION 4. This Act takes effect July 1, 2007, if it
5 receives a vote of two-thirds of all the members elected to each
6 house, as provided by Section 39, Article III, Texas Constitution.
7 If this Act does not receive the vote necessary for effect on that
8 date, this Act takes effect October 1, 2007.