

BILL ANALYSIS

H.B. 1801
By: Bohac
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

School backpacks and clothing are currently exempt from state sales and use taxes for a specific period of time preceding the start of a school year.

H.B. 1801 assists families in preparing students for the upcoming school year by adding certain school supplies, as defined under the Streamlined Sales and Use Tax Agreement, to the list of items exempt from state sales and use taxes during the specified period.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1801 amends the Tax Code to include school supplies, in addition to school backpacks, in the exemption from limited sales, excise, and use taxes if purchased for use by a student in a public or private elementary or secondary school, during a period beginning at 12:01 a.m. on the third Friday in August and ending at 12 midnight on the following Sunday, and for a sales price of less than \$100. The bill defines "school supply" and "backpack."

EFFECTIVE DATE

July 1, 2009, or, if the act does not receive the necessary vote, the act takes effect October 1, 2009.