

BILL ANALYSIS

H.B. 3144
By: Gonzalez Toureilles
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

State law allows for the exemption of many agricultural items from the sales and use tax.

H.B. 3144 extends the exemption to include tangible personal property, including a tire, sold or used to be installed as a component part of a motor vehicle, machinery, or other equipment exclusively used or employed on a farm or ranch for specified purposes.

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. 3144 amends the Tax Code to establish a sales and use tax exemption for tangible personal property including a tire, sold or used to be installed as a component part of a motor vehicle, machinery, or other equipment exclusively used or employed on a farm or ranch in the building or maintaining of roads or water facilities, or in the production of food for human consumption, grass, feed for animal life, or other agricultural products to be sold in the regular course of business.

EFFECTIVE DATE

September 1, 2009.