

By: Smith of Tarrant

H.B. No. 150

A BILL TO BE ENTITLED

AN ACT

relating to the application of the sales and use tax to the sale of certain food products sold at school events.

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

SECTION 1. Section 151.314(d), Tax Code, is amended to read as follows:

(d) Food products, meals, soft drinks, and candy for human consumption are exempted from the taxes imposed by this chapter if:

(1) served by a public or private school, school district, student organization, or parent-teacher association under an agreement with the proper school authorities in an elementary or secondary school during the regular school day or by a parent-teacher association during a fund-raising sale the proceeds of which do not benefit an individual;

(2) sold by a church or at a function of a church;

(3) served to a patient or inmate of a hospital or other institution licensed by the state for the care of humans; ~~or~~

(4) served to a permanent resident of a retirement facility which provides permanent housing and residence to individuals, a majority of whom are 60 years or older; or

(5) sold during an event sponsored or sanctioned by a school district at a concession stand operated by a temporary or permanent school employee or a volunteer, but only if the proceeds from the sales benefit the district.

1           SECTION 2. The change in law made by this Act does not  
2 affect tax liability accruing before the effective date of this  
3 Act. That liability continues in effect as if this Act had not been  
4 enacted, and the former law is continued in effect for the  
5 collection of taxes due and for civil and criminal enforcement of  
6 the liability for those taxes.

7           SECTION 3. This Act takes effect September 1, 2009.