

1-1 By: Bohac, et al. (Senate Sponsor - Shapiro) H.B. No. 1801
1-2 (In the Senate - Received from the House May 14, 2009;
1-3 May 15, 2009, read first time and referred to Committee on Finance;
1-4 May 23, 2009, reported favorably by the following vote: Yeas 13,
1-5 Nays 0; May 23, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to exemptions from the sales tax for a limited period for
1-9 certain backpacks and school supplies specified by the Streamlined
1-10 Sales and Use Tax Agreement.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 151.327, Tax Code, is amended to read as
1-13 follows:

1-14 Sec. 151.327. SCHOOL SUPPLIES AND SCHOOL BACKPACKS BEFORE
1-15 START OF SCHOOL. (a) In this section:

1-16 (1) "Backpack" means a messenger bag, book bag, or a
1-17 pack with straps that a person wears on the person's back, including
1-18 a backpack with wheels if the backpack can also be worn on the back.
1-19 The term does not include an item that is commonly considered
1-20 luggage, a briefcase, an athletic bag, a duffle bag, a gym bag, a
1-21 computer bag, a purse, or a framed backpack.

1-22 (2) "School supply" has the meaning assigned by the
1-23 Streamlined Sales and Use Tax Agreement adopted November 12, 2002,
1-24 including all amendments made to the agreement on or before
1-25 December 14, 2006.

1-26 (a-1) The sale or storage, use, or other consumption of a
1-27 school supply or a school backpack is exempted from the taxes
1-28 imposed by this chapter if the school supply or backpack is
1-29 purchased:

1-30 (1) for use by a student in a public or private
1-31 elementary or secondary school;

1-32 (2) during the period described by Section
1-33 151.326(a)(2); and

1-34 (3) for a sales price of less than \$100.

1-35 (b) A retailer is not required to obtain an exemption
1-36 certificate stating that school supplies or school backpacks are
1-37 purchased for use by students in a public or private elementary or
1-38 secondary school unless the school supplies or backpacks are
1-39 purchased in a quantity that indicates that the school supplies or
1-40 backpacks are not purchased for use by students in a public or
1-41 private elementary or secondary school.

1-42 SECTION 2. The change in law made by this Act does not
1-43 affect taxes imposed before the effective date of this Act, and the
1-44 law in effect before the effective date of this Act is continued in
1-45 effect for purposes of the liability for and collection of those
1-46 taxes.

1-47 SECTION 3. This Act takes effect July 1, 2009, if it
1-48 receives a vote of two-thirds of all the members elected to each
1-49 house, as provided by Section 39, Article III, Texas Constitution.
1-50 If this Act does not receive the vote necessary for effect on that
1-51 date, this Act takes effect October 1, 2009.

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