

House Bill 697
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

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, booster club or other school support 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; [Ø]

(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 an elementary or secondary school or school district at a concession stand operated by a booster club or other school support organization formed to support the school or school district, but only if the proceeds from the sales benefit the school or school district.

SECTION 2. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.3261 to read as follows:

Sec. 151.3261. SCHOOL SPIRIT MERCHANDISE. (a) In this section, "school spirit merchandise" means tangible personal property intended to be worn or displayed as a show of support for an elementary or secondary school or school

SENATE VERSION (IE)

SECTION 1. Same as House version.

CONFERENCE

No equivalent provision. [Deleted by FA1]

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SENATE VERSION (IE)

CONFERENCE

district.

(b) School spirit merchandise sold by a booster club or other school support organization formed to support an elementary or secondary school or school district is exempted from the taxes imposed by this chapter if the proceeds from the sales benefit the school or school district and the merchandise is:

(1) sold under an agreement with the proper school authorities in an elementary or secondary school during the regular school day; or

(2) sold during an event sponsored or sanctioned by an elementary or secondary school or school district at a stand operated by the booster club or other school support organization.

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

SECTION 3. Same as House version.

SECTION 4. This Act takes effect September 1, 2013.

SECTION 4. Same as House version.