

By: Button

H.B. No. 2694

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from the sales tax for certain items sold by small businesses in this state during a limited period.

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

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.363 to read as follows:

Sec. 151.363. ITEMS SOLD BY CERTAIN BUSINESSES IN THIS STATE DURING SMALL BUSINESS SATURDAY. (a) For purposes of this section, a retailer is considered a small business for a particular year only if:

(1) each place of business of the retailer is in this state; and

(2) the retailer collected during the 12-month period ending September 30 of that year and remitted to the comptroller a total of not more than \$312,500 in taxes imposed under this chapter from all of the retailer's places of business in this state.

(b) Notwithstanding Subsection (a)(2), if a retailer has been engaged in business in this state for less than 12 months, the retailer is considered a small business for a particular year if the retailer collected during the period beginning on the date the retailer first became engaged in business in this state and ending on September 30 and remitted to the comptroller a total of not less than \$50,000 or more than \$312,500 in taxes imposed under this chapter from all of the retailer's places of business in this state.

1 (c) The sale of tangible personal property by a retailer
2 that is a small business is exempted from the taxes imposed by this
3 chapter if:

4 (1) the sales price of the article is not more than
5 \$5,000; and

6 (2) the tangible personal property is sold during a
7 period beginning at 12:01 a.m. on the first Saturday after
8 Thanksgiving and ending at 11:59 p.m. on that day.

9 SECTION 2. The change in law made by this Act does not
10 affect tax liability accruing before the effective date of this
11 Act. That liability continues in effect as if this Act had not been
12 enacted, and the former law is continued in effect for the
13 collection of taxes due and for civil and criminal enforcement of
14 the liability for those taxes.

15 SECTION 3. This Act takes effect September 1, 2015.