

1-1 By: Creighton S.B. No. 761  
 1-2 (In the Senate - Filed February 25, 2015; February 25, 2015,  
 1-3 read first time and referred to Committee on Finance;  
 1-4 March 17, 2015, reported favorably by the following vote: Yeas 14,  
 1-5 Nays 0; March 17, 2015, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Nelson	X			
1-8 Hinojosa	X			
1-9 Bettencourt	X			
1-10 Eltife	X			
1-11 Hancock	X			
1-12 Huffman	X			
1-13 Kolthorst	X			
1-14 Nichols	X			
1-15 Schwertner	X			
1-16 Seliger	X			
1-17 Taylor of Galveston	X			
1-18 Uresti	X			
1-19 Watson	X			
1-20 West	X			
1-21 Whitmire			X	

1-23 A BILL TO BE ENTITLED  
 1-24 AN ACT

1-25 relating to the taxation of fireworks.  
 1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
 1-27 SECTION 1. Section 151.801, Tax Code, is amended by  
 1-28 amending Subsections (a) and (d) and adding Subsection (c-2) to  
 1-29 read as follows:  
 1-30 (a) Except for the amounts allocated under Subsections (b),  
 1-31 ~~and~~ (c), and (c-2), all proceeds from the collection of the taxes  
 1-32 imposed by this chapter shall be deposited to the credit of the  
 1-33 general revenue fund.  
 1-34 (c-2) An amount equal to the revenue derived from the  
 1-35 collection of taxes at the rate of two percent on each sale at  
 1-36 retail of fireworks shall be deposited to the credit of the rural  
 1-37 volunteer fire department insurance fund established under Section  
 1-38 614.075, Government Code.  
 1-39 (d) The comptroller shall determine the amount to be  
 1-40 deposited to the highway fund under Subsection (b) according to  
 1-41 available statistical data indicating the estimated average or  
 1-42 actual consumption or sales of lubricants used to propel motor  
 1-43 vehicles over the public roadways. The comptroller shall determine  
 1-44 the amounts to be deposited to the funds or accounts under  
 1-45 Subsection (c) according to available statistical data indicating  
 1-46 the estimated or actual total receipts in this state from taxable  
 1-47 sales of sporting goods. The comptroller shall determine the  
 1-48 amount to be deposited to the fund under Subsection (c-2) according  
 1-49 to available statistical data indicating the estimated or actual  
 1-50 total receipts in this state from taxes imposed on sales at retail  
 1-51 of fireworks. If satisfactory data are not available, the  
 1-52 comptroller may require taxpayers who make taxable sales or uses of  
 1-53 those lubricants, ~~or~~ of sporting goods, or of fireworks to report  
 1-54 to the comptroller as necessary to make the allocation required by  
 1-55 Subsection (b), ~~or~~ (c), or (c-2).  
 1-56 SECTION 2. Section 151.801(e), Tax Code, is amended by  
 1-57 adding Subdivision (3) to read as follows:  
 1-58 (3) "Fireworks" means any composition or device that  
 1-59 is designed to produce a visible or audible effect by combustion,  
 1-60 explosion, deflagration, or detonation that is classified as  
 1-61 Division 1.4G explosives by the United States Department of

2-1 Transportation in 49 C.F.R. Part 173 as of September 1, 1999. The  
2-2 term does not include:

2-3 (A) a toy pistol, toy cane, toy gun, or other  
2-4 device that uses a paper or plastic cap;

2-5 (B) a model rocket or model rocket motor  
2-6 designed, sold, and used for the purpose of propelling a  
2-7 recoverable aero model;

2-8 (C) a propelling or expelling charge consisting  
2-9 of a mixture of sulfur, charcoal, and potassium nitrate;

2-10 (D) a novelty or trick noisemaker;

2-11 (E) a pyrotechnic signaling device or distress  
2-12 signal for marine, aviation, or highway use in an emergency  
2-13 situation;

2-14 (F) a fusee or railway torpedo for use by a  
2-15 railroad;

2-16 (G) a blank cartridge for use in a radio,  
2-17 television, film, or theater production, for signal or ceremonial  
2-18 purposes in athletic events, or for industrial purposes; or

2-19 (H) a pyrotechnic device for use by a military  
2-20 organization.

2-21 SECTION 3. Section 614.072(h), Government Code, is amended  
2-22 to read as follows:

2-23 (h) Administration costs associated with the program during  
2-24 a state fiscal year may not exceed seven percent of the total  
2-25 deposited to the credit of the fund as required by Section  
2-26 151.801(c-2) [~~revenue collected from the tax imposed under Chapter~~  
2-27 ~~161~~], Tax Code, during the previous fiscal year.

2-28 SECTION 4. Section 614.075(a), Government Code, is amended  
2-29 to read as follows:

2-30 (a) The rural volunteer fire department insurance fund is an  
2-31 account in the general revenue fund and is composed of money  
2-32 deposited as required by Section 151.801(c-2) [~~collected under~~  
2-33 ~~Chapter 161~~], Tax Code, and contributions to the fund from any other  
2-34 source.

2-35 SECTION 5. Chapter 161, Tax Code, is repealed.

2-36 SECTION 6. The changes in law made by this Act do not affect  
2-37 tax liability accruing before the effective date of this Act. That  
2-38 liability continues in effect as if this Act had not been enacted,  
2-39 and the former law is continued in effect for the collection of  
2-40 taxes due and for civil and criminal enforcement of the liability  
2-41 for those taxes.

2-42 SECTION 7. This Act takes effect September 1, 2015.

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