

By: Uresti

H.B. No. 114

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the allocation of certain revenue from the cigarette  
3 tax to the foundation school fund and increasing the rate of that  
4 tax.

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

6 SECTION 1. Section 154.021(b), Tax Code, is amended to read  
7 as follows:

8 (b) The tax rates are:

9 (1) \$83.00 [~~\$70.50~~] per thousand on cigarettes  
10 weighing three pounds or less per thousand; and

11 (2) the rate provided by Subdivision (1) plus \$2.10  
12 per thousand on cigarettes weighing more than three pounds per  
13 thousand.

14 SECTION 2. Section 154.6035, Tax Code, is amended to read as  
15 follows:

16 Sec. 154.6035. ALLOCATION OF CERTAIN REVENUE TO PROPERTY  
17 TAX RELIEF FUND AND FOUNDATION SCHOOL FUND. (a) Notwithstanding  
18 Section 154.603, all proceeds from the collection of taxes imposed  
19 by this chapter attributable to the portion of the tax rate in  
20 excess of \$20.50 per thousand on cigarettes, but not exceeding  
21 \$70.50 per thousand, regardless of weight, shall be deposited to  
22 the credit of the property tax relief fund under Section 403.109,  
23 Government Code.

24 (b) Notwithstanding Section 154.603, all proceeds from the

1 collection of taxes imposed by this chapter attributable to the  
2 portion of the tax rate in excess of \$70.50 per thousand on  
3 cigarettes, regardless of weight, shall be deposited to the credit  
4 of the foundation school fund.

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

11         SECTION 4. This Act takes effect December 1, 2017.