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| RESOLUTION ANALYSIS |

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| C.S.H.J.R. 113 |
| By: Capriglione |
| Ways & Means |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE**  According to interested parties, the comptroller of public accounts has requested certain changes to the law relating to the operation and administration of the Texas Bullion Depository to help run the depository more efficiently. These changes include the granting of a property tax exemption for precious metal held in the depository. C.S.H.J.R. 113 proposes a constitutional amendment authorizing such an exemption. |
| **CRIMINAL JUSTICE IMPACT**  It is the committee's opinion that this resolution does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **RULEMAKING AUTHORITY**  It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution. |
| **ANALYSIS**  C.S.H.J.R. 113 proposes an amendment to the Texas Constitution to authorize the legislature by general law to exempt precious metal held in the Texas Bullion Depository from property taxation and define "precious metal" for the purpose of the exemption. |
| **ELECTION DATE**  The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 7, 2017. |
| **COMPARISON OF ORIGINAL AND SUBSTITUTE**  While C.S.H.J.R. 113 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the resolution. |
| | INTRODUCED | HOUSE COMMITTEE SUBSTITUTE | | --- | --- | | SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 1-p to read as follows:  Sec. 1-p. (a) The legislature by general law may exempt from ad valorem taxation bullion, specie and precious metals held by the Texas Bullion Depository.  (b) For purposes of this Section:  (1) "bullion" means precious metals that are formed into uniform shapes and quantities such as ingots, bars, or plates, with uniform content and purity, as are suitable for or customarily used in precious metal transactions;  (2) "precious metal" means a metal, including gold, silver, platinum, palladium and rhodium that bears a high value-to-weight ratio relative to common industrial metals and customarily is formed into bullion or specie; and  (3) "specie" means a precious metal stamped into coins of uniform shape, size, design, content and purity, suitable for or customarily used as a currency, as a medium of exchange or as the medium for purchase, sale, storage, transfer or delivery of precious metals or wholesale transactions. | SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 1-p to read as follows:  Sec. 1-p. The legislature by general law may exempt from ad valorem taxation precious metal held in the Texas Bullion Depository.  The legislature by general law may define "precious metal" for purposes of this section. | | SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 7, 2017. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment authorizing the legislature by general law to exempt from ad valorem taxation bullion, specie and precious metals held by the Texas Bullion Depository." | SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 7, 2017. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment authorizing the legislature to exempt from ad valorem taxation precious metal held in the Texas Bullion Depository." | |