

By: Bohac

H.B. No. 589

A BILL TO BE ENTITLED

AN ACT

relating to a sales tax exemption for certain items sold during a limited period.

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

SECTION 1. Section 151.326(a), Tax Code, is amended to read as follows:

(a) The sale of an article of clothing or footwear designed to be worn on or about the human body is exempted from the taxes imposed by this chapter if:

(1) the sales price of the article is less than \$200 [~~\$100~~]; and

(2) the sale takes place during a period beginning at 12:01 a.m. on the Friday before the 15th day preceding the uniform date prescribed by Section 25.0811(a), Education Code, without regard to any exception authorized by that section, before which a school district may not begin instruction for the school year, and ending at 12 midnight on the following Sunday.

SECTION 2. Section 151.327(a-1), Tax Code, is amended to read as follows:

(a-1) The sale or storage, use, or other consumption of a school supply or a school backpack is exempted from the taxes imposed by this chapter if the school supply or backpack is purchased:

(1) for use by a student in a public or private

1 elementary or secondary school;

2 (2) during the period described by Section  
3 [151.326\(a\)\(2\)](#); and

4 (3) for a sales price of less than \$200 [~~\$100~~].

5 SECTION 3. Subchapter H, Chapter [151](#), Tax Code, is amended  
6 by adding Section 151.3271 to read as follows:

7 Sec. 151.3271. CERTAIN ELECTRONIC DEVICES FOR LIMITED  
8 PERIOD. (a) In this section:

9 (1) "E-reader" means a mobile electronic device that  
10 is designed primarily for the purpose of reading digital electronic  
11 books and periodicals.

12 (2) "Personal computer" means a laptop, desktop, tower  
13 computer system, or other personal computer that includes a central  
14 processing unit, random access memory, a storage device, a display  
15 monitor, and a keyboard.

16 (3) "Tablet computer" means a mobile computer designed  
17 for general personal computing purposes that is primarily operated  
18 by use of a touchscreen or stylus.

19 (b) The sale or storage, use, or other consumption of an  
20 e-reader, personal computer, or tablet computer is exempted from  
21 the taxes imposed by this chapter if the e-reader, personal  
22 computer, or tablet computer:

23 (1) is purchased during the period described by  
24 Section [151.326\(a\)\(2\)](#); and

25 (2) is not purchased over the Internet.

26 SECTION 4. The change in law made by this Act does not  
27 affect tax liability accruing before the effective date of this

1 Act. That liability continues in effect as if this Act had not been  
2 enacted, and the former law is continued in effect for the  
3 collection of taxes due and for civil and criminal enforcement of  
4 the liability for those taxes.

5 SECTION 5. This Act takes effect immediately if it receives  
6 a vote of two-thirds of all the members elected to each house, as  
7 provided by Section 39, Article III, Texas Constitution. If this  
8 Act does not receive the vote necessary for immediate effect, this  
9 Act takes effect September 1, 2017.