

By: Uresti

H.B. No. 2514

A BILL TO BE ENTITLED

AN ACT

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

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

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

(b) The tax rates are:

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

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

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

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

(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 September 1, 2017.