

By: Zaffirini

S.B. No. 48

A BILL TO BE ENTITLED

AN ACT

relating to exempting books purchased, used, or consumed by certain university and college students from the sales and use tax for limited periods.

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

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.3212 to read as follows:

Sec. 151.3212. BOOKS PURCHASED, USED, OR CONSUMED BY CERTAIN UNIVERSITY AND COLLEGE STUDENTS FOR LIMITED PERIODS. (a) The sale, use, or consumption of a book is exempted from the taxes imposed by this chapter if the book is:

(1) purchased by a full-time or part-time student who:

(A) is eligible under Subchapter M or P, Chapter 56, Education Code, to receive a grant authorized by those subchapters, regardless of whether the student actually receives the grant; and

(B) is enrolled at an institution of higher education as defined by Section 61.003, Education Code, or a private or independent college or university that is located in this state and that is accredited by a recognized accrediting agency as defined by Section 61.003, Education Code; and

(2) the purchase takes place during a period:

(A) beginning at 12:01 a.m. on the first Monday following the first Saturday in August and ending at 11:59 p.m. on

1 the second following Wednesday; or

2 (B) beginning at 12:01 a.m. on the first Monday  
3 following the first Saturday in January and ending at 11:59 p.m. on  
4 the second following Wednesday.

5 (b) Not later than the 10th day before the first day of each  
6 period described by Subsection (a)(2), each institution, college,  
7 and university described by Subsection (a)(1)(B) shall create for  
8 and electronically distribute to each person described by  
9 Subsection (a)(1) that is enrolled at the institution, college, or  
10 university the following to be used by the person to establish that  
11 the person is qualified to receive the exemption authorized by this  
12 section:

13 (1) a unique temporary student sales tax exemption  
14 certificate on a form prescribed by the comptroller that the person  
15 may use when making an in-person purchase; and

16 (2) a unique electronic credential that the person may  
17 use when making an online purchase.

18 (c) A certificate or credential distributed under  
19 Subsection (b) is valid only for purchases made during the period  
20 described by Subsection (a)(2)(A) or (B) that immediately follows  
21 the distribution date of the certificate or credential.

22 (d) The comptroller may adopt rules necessary for the  
23 implementation, administration, and enforcement of this section.

24 SECTION 2. As soon as practicable, but not later than  
25 November 1, 2017, the comptroller of public accounts shall develop  
26 the temporary student sales tax exemption certificate form required  
27 by Section 151.3212(b)(1), Tax Code, as added by this Act.

1           SECTION 3. The change in law made by this Act does not  
2 affect taxes imposed before the effective date of this Act, and the  
3 law in effect before the effective date of this Act is continued in  
4 effect for purposes of the liability for and collection of those  
5 taxes.

6           SECTION 4. This Act takes effect September 1, 2017.