86R31034 SRA-D

By:  Huberty H.J.R. No. 3

Substitute the following for H.J.R. No. 3:

By:  Murphy C.S.H.J.R. No. 3

A JOINT RESOLUTION

proposing a constitutional amendment to provide property tax relief by reducing school district maintenance and operations ad valorem tax rates and increasing the state sales and use tax rates.

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

SECTION 1.  Article VIII, Texas Constitution, is amended by adding Section 27 to read as follows:

Sec. 27.  (a) The state shall impose sales and use taxes on the sale, storage, use, or other consumption in this state of taxable items under Chapter 151, Tax Code, or its successor, at the rate of 7.25 percent. Notwithstanding this subsection, the legislature by general law may increase the rates of, modify the application of, or repeal the taxes.

(b)  Notwithstanding any other provision of this constitution, the amount equal to the net revenue derived from the portion of the rates of the sales and use taxes described by Subsection (a) of this section that exceeds the rates in effect on January 1, 2019, but does not exceed 7.25 percent, may be used only to provide property tax relief by reducing school district maintenance and operations ad valorem tax rates in the manner provided by general law.

(c)  The legislature by general law may provide for the administration of this section.

SECTION 2.  The following temporary provision is added to the Texas Constitution:

TEMPORARY PROVISION.  (a) This temporary provision applies to the constitutional amendment proposed by the 86th Legislature, Regular Session, 2019, to provide property tax relief by reducing school district maintenance and operations ad valorem tax rates and increasing the state sales and use tax rates.

(b)  Section 27, Article VIII, of this constitution, as added by the amendment, applies to taxes imposed on or after January 1, 2020.

(c)  This temporary provision expires January 1, 2021.

SECTION 3.  This proposed constitutional amendment shall be submitted to the voters at an election to be held November 5, 2019. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment to provide property tax relief by reducing school district maintenance and operations ad valorem tax rates and increasing the state sales and use tax rates."