

By: Metcalf

H.B. No. 2684

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from the sales tax for items sold by a nonprofit organization at a county fair.

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

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.3102 to read as follows:

Sec. 151.3102. SALE BY NONPROFIT ORGANIZATION AT COUNTY FAIR. The sale of a taxable item is exempt from the taxes imposed by this chapter if:

(1) the seller or retailer is a nonprofit organization that is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, by being listed as an exempt organization in Section 501(c)(3) of that code;

(2) the sale takes place at a county fair; and

(3) the purchaser is a person attending or participating in the fair.

SECTION 2. The changes in law made by this Act do not affect tax liability accruing before the effective date of this Act. That liability continues in effect as if this Act had not been enacted, and the former law is continued in effect for the collection of taxes due and for civil and criminal enforcement of the liability for those taxes.

SECTION 3. This Act takes effect September 1, 2019.