

By: Button

H.B. No. 2804

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the exemption from ad valorem taxation of tangible  
3 personal property consisting of certain food products held by the  
4 owner of the property for sale at retail.

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

6 SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by  
7 adding Section 11.37 to read as follows:

8 Sec. 11.37. FOOD PRODUCTS HELD FOR SALE AT RETAIL. The  
9 owner of tangible personal property consisting of food products  
10 exempted from the sales and use tax under Section 151.314(a) is  
11 entitled to an exemption from ad valorem taxation of the appraised  
12 value of the property if the property is held by the owner for sale  
13 at retail.

14 SECTION 2. This Act applies only to ad valorem taxes imposed  
15 for a tax year beginning on or after the effective date of this Act.

16 SECTION 3. This Act takes effect January 1, 2020, but only  
17 if the constitutional amendment proposed by the 86th Legislature,  
18 Regular Session, 2019, authorizing the legislature to exempt from  
19 ad valorem taxation tangible personal property consisting of food  
20 or food products held by the owner of the property for sale at  
21 retail is approved by the voters. If that amendment is not approved  
22 by the voters, this Act has no effect.