

By: Sanford

H.B. No. 3427

A BILL TO BE ENTITLED

AN ACT

1
2 relating to an increase in the state sales and use tax rate for the
3 purpose of reducing school district maintenance and operations ad
4 valorem taxes; increasing the rate of a tax.

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

6 SECTION 1. Section 151.051(b), Tax Code, is amended to read
7 as follows:

8 (b) The sales tax rate is 6.5 [~~6-1/4~~] percent of the sales
9 price of the taxable item sold.

10 SECTION 2. Subchapter M, Chapter 151, Tax Code, is amended
11 by adding Section 151.803 to read as follows:

12 Sec. 151.803. ALLOCATION OF CERTAIN REVENUE TO SCHOOL
13 DISTRICT PROPERTY TAX REDUCTION. Notwithstanding Section 151.801,
14 the comptroller shall deposit an amount of revenue equal to the
15 proceeds derived from the collection of taxes imposed by this
16 chapter attributable to the portion of the tax rate in excess of
17 6.25 percent of the sales price of the taxable item sold to the
18 credit of the property tax relief fund. Money credited to the fund
19 under this section may be appropriated only to the Texas Education
20 Agency for use in providing property tax relief through reduction
21 of the state compression percentage, as defined by Section
22 42.2516(a), Education Code.

23 SECTION 3. This Act takes effect October 1, 2019.