

By: Miles

S.B. No. 302

A BILL TO BE ENTITLED

AN ACT

relating to a sales tax exemption for certain items sold during a limited period.

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

SECTION 1. Section 151.326(a), Tax Code, is amended to read as follows:

(a) The sale of an article of clothing or footwear designed to be worn on or about the human body is exempted from the taxes imposed by this chapter if:

(1) the sales price of the article is less than \$200 [~~\$100~~]; and

(2) the sale takes place during a period beginning at 12:01 a.m. on the Friday before the 15th day preceding the uniform date prescribed by Section 25.0811(a), Education Code, without regard to any exception authorized by that section, before which a school district may not begin instruction for the school year, and ending at 12 midnight on the following Sunday.

SECTION 2. Section 151.327(a-1), Tax Code, is amended to read as follows:

(a-1) The sale or storage, use, or other consumption of a school supply or a school backpack is exempted from the taxes imposed by this chapter if the school supply or backpack is purchased:

(1) for use by a student in a public or private

1 elementary or secondary school;

2 (2) during the period described by Section
3 [151.326](#)(a)(2); and

4 (3) for a sales price of less than \$200 [~~\$100~~].

5 SECTION 3. Subchapter H, Chapter [151](#), Tax Code, is amended
6 by adding Section 151.3271 to read as follows:

7 Sec. 151.3271. CERTAIN ELECTRONIC DEVICES FOR LIMITED
8 PERIOD. (a) In this section:

9 (1) "E-reader" means a mobile electronic device that
10 is designed primarily for the purpose of reading digital electronic
11 books and periodicals.

12 (2) "Gaming console" means a computer or other
13 electronic device designed primarily for the use of playing video
14 games.

15 (3) "Personal computer" means a laptop, desktop, tower
16 computer system, or other personal computer that includes a central
17 processing unit, random access memory, a storage device, a display
18 monitor, and a keyboard.

19 (4) "Smartphone" means a mobile telephone that
20 performs many of the functions of a computer, is typically operated
21 by use of a touchscreen, has Internet access capability, and has an
22 operating system capable of running downloaded applications.

23 (5) "Tablet computer" means a mobile computer designed
24 for general personal computing purposes that is primarily operated
25 by use of a touchscreen or stylus.

26 (b) The sale or storage, use, or other consumption of an
27 e-reader, personal computer, or tablet computer is exempted from

1 the taxes imposed by this chapter if the e-reader, personal
2 computer, or tablet computer:

3 (1) is purchased during the period described by
4 Section 151.326(a)(2);

5 (2) has a sales price of less than \$750; and

6 (3) is not purchased over the Internet.

7 (c) The exemption provided by this section does not apply to
8 a gaming console or smartphone.

9 SECTION 4. The change in law made by this Act does not
10 affect tax liability accruing before the effective date of this
11 Act. That liability continues in effect as if this Act had not been
12 enacted, and the former law is continued in effect for the
13 collection of taxes due and for civil and criminal enforcement of
14 the liability for those taxes.

15 SECTION 5. This Act takes effect immediately if it receives
16 a vote of two-thirds of all the members elected to each house, as
17 provided by Section 39, Article III, Texas Constitution. If this
18 Act does not receive the vote necessary for immediate effect, this
19 Act takes effect September 1, 2019.