

By: Springer

S.J.R. No. 11

1 SENATE JOINT RESOLUTION

2 proposing a constitutional amendment prohibiting the enactment of a
3 law that imposes a tax on certain transactions that either convey a
4 security or involve specified derivative contracts.

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

6 SECTION 1. Article VIII, Texas Constitution, is amended by
7 adding Section 30 read as follows:

8 Sec. 30. (a) After January 1, 2022, no law may be enacted
9 that imposes an occupation tax upon a Registered Securities Market
10 Operator or a tax upon a securities transaction of a Registered
11 Securities Market Operator.

12 (b) The term "Registered Securities Market Operator" means
13 a self-regulatory organization, national securities exchange,
14 financial institution, alternative trading system, trade reporting
15 facility, broker, dealer, clearing agency, or transfer agent, as
16 those terms are defined in the Securities Exchange Act of 1934, 15
17 U.S.C. 78a et seq., or a board of trade, commodities pool operator,
18 derivatives clearing organization, electronic trading facility, or
19 organized exchange, as that term is defined in the Commodities
20 Futures Exchange Act, 7 U.S.C. 1 et seq., or an affiliate,
21 subsidiary, or facility thereof, to the extent that such Regulated
22 Securities Market Operator is subject to registration with and
23 regulation by the U.S. Securities and Exchange Commission or the
24 U.S. Commodities Futures Trading Commission.

1 (c) The term "security" or "securities" means the
2 definition of that term set forth in the Securities Exchange Act of
3 1934, 15 U.S.C. § 78c(a)(10).

4 (d) The term "securities transaction" means the purchase or
5 sale of securities by a Registered Securities Market Operator on
6 behalf of a customer, any contract or agreement to do the same, and
7 any service by a Registered Securities Market Operator to
8 facilitate, match parties to, process, report, clear, or settle the
9 purchase or sale of securities on behalf of a customer.

10 (d) This section does not prohibit:

11 (1) the imposition of a general business tax measured
12 by business activity;

13 (2) the imposition of a tax on the production of
14 minerals;

15 (3) the imposition of a tax on insurance premiums;

16 (4) the imposition of a general sales tax on tangible
17 personal property or services;

18 (5) the imposition of a fee based on the cost of
19 processing documents; or

20 (6) the change of a rate of a tax in existence on
21 January 1, 2022.

22 SECTION 2. This proposed constitutional amendment shall be
23 submitted to the voters at an election to be held November 3, 2021.
24 The ballot shall be printed to permit voting for or against the
25 proposition: "The constitutional amendment to prohibit the
26 enactment of a law that imposes a tax on certain transactions that
27 either convey a security or involve specified derivative

1 contracts."