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By:  Raymond H.J.R. No. 36

A JOINT RESOLUTION

proposing a constitutional amendment providing honesty in state taxation.

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

SECTION 1.  Article VIII, Texas Constitution, is amended by adding Section 2-a to read as follows:

Sec. 2-a.  (a) A "regulatory tax" is a fee, levy, surcharge, assessment, fine, penalty, or other charge of any kind imposed by this state, regardless of the date the law imposing the charge was enacted or whether the revenue from the charge is dedicated for a primary purpose other than to raise revenue for general purposes, including:

(1)  a charge imposed for a specific benefit conferred or privilege granted directly to the taxpayer that is not provided to a person who did not pay the charge and that does not exceed the reasonable cost to this state of conferring the benefit or granting the privilege;

(2)  a charge imposed for a specific state service or product provided directly to the taxpayer that is not provided to a person who did not pay the charge and that does not exceed the reasonable cost to this state of providing the service or product;

(3)  a charge imposed for the reasonable regulatory cost to this state related to the issuance of a license or permit, the performance of an investigation, inspection, or audit, or the enforcement of a state law or order;

(4)  a charge imposed for the purchase, rental, lease, or other use of state property; and

(5)  a fine, penalty, or other monetary charge imposed by this state for or in connection with a violation of a state law or order.

(b)  The intent of this section is to protect the taxpayers of this state from hidden tax increases by appropriately identifying state-imposed charges as state taxes.

(c)  After November 2, 2021, the legislature may not enact a general law that imposes a state tax, including a regulatory tax, or amends the provisions relating to a state tax, including a regulatory tax, if the enacted or amended provisions relating to the tax identify the tax as another type of charge such as a "fee," "levy," "surcharge," "assessment," "fine," or "penalty."

(d)  Not later than January 1, 2024, the legislature shall revise every reference in state statute to a fee, levy, surcharge, assessment, fine, penalty, or other charge of any kind imposed by this state for a primary purpose other than to raise revenue for general purposes to refer to the charge as a "regulatory tax." Beginning January 1, 2024, a regulatory tax identified in statute as another type of charge such as a "fee," "levy," "surcharge," "assessment," "fine," or "penalty" is void and may not be collected.

SECTION 2.  This proposed constitutional amendment shall be submitted to the voters at an election to be held November 2, 2021. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment providing honesty in state taxation."