87R7398 RDS-D

By:  Eckhardt S.B. No. 1287

A BILL TO BE ENTITLED

AN ACT

relating to the imposition of a sales tax on ammunition, firearms, and firearms accessories to provide funding for the family violence program in the Health and Human Services Commission.

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

SECTION 1.  Subtitle E, Title 2, Tax Code, is amended by adding Chapter 165 to read as follows:

CHAPTER 165. SALES TAX ON AMMUNITION, FIREARMS, AND FIREARM ACCESSORIES

Sec. 165.0001.  DEFINITIONS. In this chapter:

(1)  "Ammunition" has the meaning assigned by 18 U.S.C. Section 921(a)(17)(A).

(2)  "Dealer" has the meaning assigned by 18 U.S.C. Section 921(a)(11).

(3)  "Firearm" has the meaning assigned by 18 U.S.C. Section 921(a)(3).

(4)  "Firearm accessory" means an item used in conjunction with or mounted on a firearm that is not essential to the basic function of a firearm, including a telescopic or laser sight, magazine, flash or sound suppressor, folding or aftermarket stock and grip, speedloader, ammunition carrier, or light for target illumination.

Sec. 165.0002.  AMMUNITION, FIREARMS, AND FIREARM ACCESSORIES TAX. (a) A tax is imposed on each sale by a dealer of ammunition, a firearm, or a firearm accessory.

(b)  The tax rate is one percent of the sale price of the ammunition, firearm, or firearm accessory.

(c)  The tax imposed under this chapter is in addition to the tax imposed under Chapter 151. The tax imposed by this chapter does not apply to a sale unless the tax imposed under Chapter 151 applies to the sale.

Sec. 165.0003.  APPLICATION OF OTHER PROVISIONS. (a) Except as provided by this chapter:

(1)  the tax imposed by this chapter is administered, imposed, collected, and enforced in the same manner as the tax under Chapter 151 is administered, imposed, collected, and enforced;

(2)  the provisions of Chapter 151 applicable to the sales tax imposed under Subchapter C, Chapter 151, apply to the tax imposed by this chapter.

(b)  A change in the law relating to the taxation of the sale of ammunition, a firearm, or a firearm accessory under Chapter 151 also applies to the tax imposed by this chapter.

Sec. 165.0004.  DISPOSITION AND USE OF PROCEEDS. The comptroller shall deposit the proceeds from taxes imposed under this chapter to the credit of an account in the general revenue fund that may be appropriated only to the Health and Human Services Commission to provide funding for the family violence program established under Chapter 51, Human Resources Code.

SECTION 2.  This Act takes effect September 1, 2021.