

By: White

H.B. No. 2829

A BILL TO BE ENTITLED

1 AN ACT
2 relating to restaurants and certain alcoholic beverage permittees,
3 including the rates of certain taxes imposed on items sold by those
4 establishments and the applicability to those establishments of
5 certain orders issued in response to a disaster or emergency;
6 temporarily decreasing the rate of the state sales tax on certain
7 items; temporarily decreasing the rate of the mixed beverage sales
8 tax.

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

10 SECTION 1. Section 151.051, Tax Code, is amended to read as
11 follows:

12 Sec. 151.051. SALES TAX IMPOSED. (a) A tax is imposed on
13 each sale of a taxable item in this state.

14 (b) Except as provided by Subsection (c), the [The] sales
15 tax rate is 6-1/4 percent of the sales price of the taxable item
16 sold.

17 (c) This subsection applies only to a taxable item sold by a
18 restaurant that is not a permittee. The sales tax rate is:

19 (1) 3.125 percent of the sales price of a taxable item
20 sold on or after the effective date of the Act enacting this
21 subsection and before September 1, 2022;

22 (2) 3.75 percent of the sales price of a taxable item
23 sold on or after September 1, 2022, and before December 1, 2022;

24 (3) 4.375 percent of the sales price of a taxable item

1 sold on or after December 1, 2022, and before March 1, 2023;

2 (4) 5 percent of the sales price of a taxable item sold
3 on or after March 1, 2023, and before June 1, 2023; and

4 (5) 5.625 percent of the sales price of a taxable item
5 sold on or after June 1, 2023, and before September 1, 2023.

6 (d) In this section:

7 (1) "Permittee" has the meaning assigned by Section
8 183.001.

9 (2) "Restaurant" means a place where meals are sold
10 for immediate on-premises consumption.

11 SECTION 2. (a) This section takes effect September 1, 2023.

12 (b) Section 151.051, Tax Code, is amended to read as
13 follows:

14 Sec. 151.051. SALES TAX IMPOSED. (a) A tax is imposed on
15 each sale of a taxable item in this state.

16 (b) The sales tax rate is 6-1/4 percent of the sales price of
17 the taxable item sold.

18 SECTION 3. (a) Section 183.041, Tax Code, is amended to
19 read as follows:

20 Sec. 183.041. TAX IMPOSED ON SALES OF MIXED BEVERAGES AND
21 RELATED ITEMS. (a) A tax is imposed on each mixed beverage sold,
22 prepared, or served by a permittee in this state and on ice and each
23 nonalcoholic beverage sold, prepared, or served by a permittee in
24 this state for the purpose of being mixed with an alcoholic beverage
25 and consumed on the premises of the permittee.

26 (b) The rate of the tax is:

27 (1) 2.25 percent of the sales price of an item sold,

1 prepared, or served at or after 3 a.m. on the effective date of the
2 Act enacting this subdivision and before 3 a.m. on September 1,
3 2022;

4 (2) 3.45 percent of the sales price of an item sold,
5 prepared, or served at or after 3 a.m. on September 1, 2022, and
6 before 3 a.m. on December 1, 2022;

7 (3) 4.65 percent of the sales price of an item sold,
8 prepared, or served at or after 3 a.m. on December 1, 2022, and
9 before 3 a.m. on March 1, 2023;

10 (4) 5.85 percent of the sales price of an item sold,
11 prepared, or served at or after 3 a.m. on March 1, 2023, and before 3
12 a.m. on June 1, 2023; and

13 (5) 7.05 percent of the sales price of an item sold,
14 prepared, or served at or after 3 a.m. on June 1, 2023, and before 3
15 a.m. on September 1, 2023 [~~8.25 percent of the sales price of the~~
16 ~~item sold, prepared, or served].~~

17 (b) The change in law made by this section applies beginning
18 at 3 a.m. on the effective date of this Act. The law in effect
19 immediately before the effective date of this Act continues in
20 effect until 3 a.m. on the effective date of this Act.

21 SECTION 4. (a) This section takes effect September 1, 2023.

22 (b) Section [183.041](#), Tax Code, is amended to read as
23 follows:

24 Sec. 183.041. TAX IMPOSED ON SALES OF MIXED BEVERAGES AND
25 RELATED ITEMS. (a) A tax is imposed on each mixed beverage sold,
26 prepared, or served by a permittee in this state and on ice and each
27 nonalcoholic beverage sold, prepared, or served by a permittee in

1 this state for the purpose of being mixed with an alcoholic beverage
2 and consumed on the premises of the permittee.

3 (b) The rate of the tax is 8.25 percent of the sales price of
4 the item sold, prepared, or served.

5 (c) The change in law made by this section applies beginning
6 at 3 a.m. on the effective date of this section. The law in effect
7 immediately before the effective date of this section continues in
8 effect until 3 a.m. on the effective date of this section.

9 SECTION 5. (a) In this section:

10 (1) "Permittee" has the meaning assigned by Section
11 [183.001](#), Tax Code; and

12 (2) "Restaurant" has the meaning assigned by Section
13 [151.051](#)(d), Tax Code, as added by this Act.

14 (b) Notwithstanding any other law, an executive order
15 issued under Section [418.012](#), Government Code, or an order issued
16 in response to a disaster or emergency by a political subdivision of
17 this state that applied to a permittee or restaurant immediately
18 before the effective date of this Act does not apply to a permittee
19 or restaurant on or after the effective date of this Act.

20 SECTION 6. A change in law made by this Act does not affect
21 tax liability accruing before the effective date of the change in
22 law. That liability continues in effect as if this Act had not been
23 enacted, and the former law is continued in effect for the
24 collection of taxes due and for civil and criminal enforcement of
25 the liability for those taxes.

26 SECTION 7. Except as otherwise provided by this Act, this
27 Act takes effect July 1, 2021, if it receives a vote of two-thirds

H.B. No. 2829

1 of all the members elected to each house, as provided by Section 39,
2 Article III, Texas Constitution. If this Act does not receive the
3 vote necessary to take effect July 1, 2021, this Act takes effect
4 September 1, 2021, except as otherwise provided by this Act.