

BILL ANALYSIS

Senate Research Center

H.B. 300
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Finance
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Most products are currently subject to a minimum 6.25 percent state sales tax. In some areas of Texas, consumers pay an additional two percent local sales and use tax on certain products they purchase. H.B. 300 would help Texans by alleviating part of the financial burden they have when purchasing some of the essential products they need to care for their families.

H.B. 300 adds family care items like adult and children's diapers, baby wipes, bottles, menstrual products, maternity clothing, and breast milk pumping products to the list of tax-exempt items.

H.B. 300 amends current law relating to an exemption from sales and use taxes for certain family care items.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 151.313, Tax Code, by amending Subsection (a) and adding Subsections (g), (h), (i), and (j), as follows:

(a) Provides that certain items are exempted from the taxes imposed by Chapter 151 (Limited Sales, Excise, and Use Tax), including an adult or a children's diaper, a baby wipe, and a baby bottle. Makes nonsubstantive changes.

(g) Provides that a product is an adult diaper for purposes of Section 151.313 (Health Care Supplies) if the product is a diaper other than a children's diaper.

(h) Provides that a product is a children's diaper for purposes of this section if the product is:

(1) an absorbent garment worn by humans who are incapable of, or have difficulty, controlling their bladder or bowel movements; and

(2) marketed to be worn by children.

(i) Provides that a product is a baby wipe for purposes of this section if the product is a moistened and disposable tissue or towel intended for cleansing the skin of a young child.

(j) Provides that a product is a baby bottle for purposes of this section if the product is a bottle fitted with a nipple for giving milk and other drinks to a young child.

SECTION 2. Amends Subchapter H, Chapter 151, Tax Code, by adding Sections 151.3132, 151.3133, and 151.3134, as follows:

Sec. 151.3132. FEMININE HYGIENE PRODUCTS. (a) Defines "feminine hygiene product."

(b) Provides that the sale, storage, use, or other consumption of a feminine hygiene product is exempted from the taxes imposed by this chapter.

Sec. 151.3133. MATERNITY CLOTHING. (a) Defines "maternity clothing."

(b) Provides that the sale, storage, use, or other consumption of an article of maternity clothing is exempted from the taxes imposed by this chapter.

Sec. 151.3134. BREAST MILK PUMPING PRODUCTS. (a) Defines "breast milk pumping product" and "breast pump."

(b) Provides that the sale, storage, use, or other consumption of a breast milk pumping product is exempted from the taxes imposed by this chapter.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 2023.