

BILL ANALYSIS

Senate Research Center
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S.B. 379
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Finance
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the Comptroller of Public Accounts of the State of Texas, by rule, has exempted "wound care dressings" from sales and use tax. S.B. 379 codifies the comptroller's current policy and provides that items such as adhesive bandages, gauze pads, and medical tape, purchased to prevent bacterial contamination of a wound, are exempt from tax. The bill also provides items that are excluded from the definition of wound care dressing and therefore taxable.

Furthermore, S.B. 379 defines and exempts feminine hygiene products that are "sold for the principal purpose of feminine hygiene in connection with the menstrual cycle." This includes tampons, pads, menstrual cups, certain underwear, washes, and douches used for feminine hygiene in connection with the menstrual cycle.

As proposed, S.B. 379 amends current law relating to sales and use tax exemptions for wound care dressings and certain feminine hygiene products.

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 Subsection (g), as follows:

(a) Provides that certain items are exempted from the taxes imposed by Chapter 151 (Limited Sales, Excise, and Use Tax), including wound care dressings. Makes nonsubstantive changes.

(g) Provides that a product is a wound care dressing for purposes of Section 151.313 (Health Care Supplies) if the product is used to prevent bacterial contamination of a wound by absorbing wound drainage, protecting healing tissue, or maintaining a moist or dry wound environment. Provides that the term includes individual sterile adhesive bandages, sterile rolls or pads of gauze, and surgical and medical tape used to secure a wound care dressing to a patient. Provides that the term does not include general purpose absorption items, such as cotton balls, cotton swabs, or tissues, or appliances or devices used to drain bodily fluids or irrigate body cavities, such as drains, suction catheters, or irrigation systems.

SECTION 2. Amends Subchapter H, Chapter 151, Tax Code, by adding Section 151.3132, as follows:

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

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

SECTION 3. Provides that the change in law made by this Act does not affect taxes imposed before the effective date of this Act, and the law in effect before the effective date of this Act is continued in effect for purposes of the liability for and collection of those taxes.

SECTION 4. Effective date: September 1, 2023.