88R8736 CJD-F

By:  Lozano H.B. No. 2422

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from sales and use taxes for tools and equipment of skilled trade workers for a limited period.

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

SECTION 1.  Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.360 to read as follows:

Sec. 151.360.  TOOLS AND EQUIPMENT OF SKILLED TRADE WORKERS FOR LIMITED PERIOD. (a) In this section, "skilled trade tool item" means:

(1)  an item listed in this subdivision, the sales price of which is less than $300:

(A)  a toolbox for a vehicle; or

(B)  a power tool;

(2)  a pair of work boots, the sales price of which is less than $175;

(3)  an item listed in this subdivision, the sales price of which is less than $150:

(A)  a power tool battery;

(B)  handheld pipe cutters;

(C)  a drain opening tool; or

(D)  plumbing inspection equipment;

(4)  an industry textbook or codebook, the sales price of which is less than $125;

(5)  an item listed in this subdivision, the sales price of which is less than $100:

(A)  a tool belt;

(B)  electrical voltage testing equipment; or

(C)  a shop light;

(6)  a toolbox, the sales price of which is less than $75;

(7)  an item listed in this subdivision, the sales price of which is less than $50:

(A)  a hand tool;

(B)  a pair or set of safety glasses;

(C)  protective coveralls;

(D)  a duffle bag or tote bag; or

(E)  an LED flashlight; or

(8)  a pair of work gloves, the sales price of which is less than $25.

(b)  The sale of a skilled trade tool item is exempted from the taxes imposed by this chapter if the sale takes place during a period beginning at 12:01 a.m. on the first Friday in September and ending at 11:59 p.m. on the following Monday.

SECTION 2.  The change in law made by this Act does not affect tax liability accruing before the effective date of this Act. That liability continues in effect as if this Act had not been enacted, and the former law is continued in effect for the collection of taxes due and for civil and criminal enforcement of the liability for those taxes.

SECTION 3.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.