**BILL ANALYSIS**

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| Senate Research Center | H.J.R. 4 |
| 89R8405 CJD-F | By: Meyer et al. (To Be Filed) |
|  | Finance |
|  | 4/10/2025 |
|  | Engrossed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

During the COVID-19 pandemic, New York and New Jersey proposed financial transaction taxes, prompting concerns about retirement investments and causing New York and Nasdaq to consider relocating to Texas. With many individuals relying on 401(k)s, IRAs, and pensions for retirement, concerns arose that such a tax could reduce returns and hinder savings. Though both states abandoned the proposals, the risk remains.

With Texas' development of a fully integrated stock exchange, H.J.R. 4 proposes a constitutional amendment to ban new taxes on securities transfers and financial transactions, protecting Texans and businesses.

H.J.R. 4 proposes a constitutional amendment prohibiting the enactment of a law imposing an occupation tax on certain entities that enter into transactions conveying securities or imposing a tax on certain securities transactions.

**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 Article VIII, Texas Constitution, by adding Section 30, as follows:

Sec. 30. (a) Defines "registered securities market operator," "securities transaction," and "security."

(b) Prohibits the legislature from enacting a law that imposes an occupation tax on a registered securities market operator or a tax on a securities transaction conducted by a registered securities market operator.

(c) Provides that this section does not prohibit:

(1) the imposition of a general business tax measured by business activity, a tax on the production of minerals, a tax on insurance premiums, sales and use taxes on tangible personal property or services, or a fee based on the cost of processing or creating documents; or

(2) a change in the rate of a tax in existence on January 1, 2026.

SECTION 2. Requires that the proposed constitutional amendment be submitted to the voters at an election to be held November 4, 2025. Sets forth the required language of the ballot.