**BILL ANALYSIS**

|  |  |
| --- | --- |
| Senate Research Center | S.J.R. 46 |
| 89R1621 LHC-D | By: Nichols |
|  | Local Government |
|  | 4/11/2025 |
|  | As Filed |

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

S.J.R. 46, the accompanying proposed constitutional amendment to S.B. 994, exempts feed as taxable personal property for feed stores in Texas. Currently, feed is exempt from taxation at every point along the way—from the field where it is harvested to the farmer or rancher purchasing a bag of it—except when it is sitting in a store as inventory.

The legislation will state that the owner of tangible personal property consisting of animal feed, exempted from sales and use taxes under Section 151.316(a)(3) or (4), is entitled to an exemption from ad valorem taxation of the appraised value of the property if the property is held by the owner for sale at retail.

S.J.R. 46  proposes a constitutional amendment authorizing the legislature to exempt from ad valorem taxation tangible personal property consisting of animal feed held by the owner of the property for sale at retail.

**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 1-s, as follows:

Sec. 1-s. (a) Authorizes the legislature by general law to exempt from ad valorem taxation tangible personal property consisting of animal feed held by the owner of the property for sale at retail.

(b) Authorizes the legislature by general law to provide additional eligibility requirements for the exemption authorized by this section.

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.