

BILL ANALYSIS

Senate Research Center
89R18892 JBD-F

H.B. 135
By: Button et al. (Campbell)
Finance
4/14/2025
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current state law, horses, mules, work animals, and animal life, the products of which ordinarily constitute food for human consumption, are exempt from the sales and use tax. This exemption can benefit buyers and sellers of those animals by reducing sales tax costs and compliance obligations. However, exotic animals and game animals are not explicitly exempt from the sales and use tax under current state law, which can confuse buyers and sellers of such animals regarding their sales tax obligations. H.B. 135 seeks to address this issue by clearly exempting exotic animals and game animals from the sales and use tax, thereby codifying the common industry and Comptroller of Public Accounts of the State of Texas enforcement practice of treating sales of game animals, whether indigenous or exotic, as sales of exempt food animals.

H.B. 135 amends current law relating to exemptions from sales and use taxes for game animals and exotic animals.

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 151.316(a), Tax Code, to provide that, subject to Section 151.1551 (Registration Number Required for Timber and Certain Agricultural Items), certain items are exempted from the taxes imposed by Chapter 151 (Limited Sales, Excise, and Use Tax), including exotic animals, as defined by Section 23.51 (Definitions), and game animals, as described by Section 63.001 (Game Animals), Parks and Wildlife Code, and to make nonsubstantive changes.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2025.