

## **BILL ANALYSIS**

Senate Research Center  
89R1622 LHC-D

H.B. 1399  
By: Harris (Nichols)  
Local Government  
5/2/2025  
Engrossed

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

H.B. 1399 amends current law relating to an exemption from ad valorem taxation of 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 Subchapter B, Chapter 11, Tax Code, by adding Section 11.162, as follows:

Sec. 11.162. ANIMAL FEED HELD FOR SALE AT RETAIL. Entitles the owner of tangible personal property consisting of animal feed exempted from sales and use taxes under Section 151.316(a)(3) (relating to a tax exemption of feed for farm and ranch animals) or (4) (relating to a tax exemption of feed for animals that are held for sale in the regular course of business) to an exemption from ad valorem taxation of the appraised value of the tangible personal property if the property is held by the owner for sale at retail.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: January 1, 2026, contingent upon approval by the voters of the 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.