

BILL ANALYSIS

H.B. 1587
By: Hull
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current state law, sales of qualifying clothing and footwear are exempt from the sales and use tax during a period beginning at 12:01 a.m. on the Friday before the 15th day preceding the fourth Monday in August, which is the uniform date before which a public school district may not begin instruction for a school year, and ending at midnight on the following Sunday. However, this sales tax holiday does not take into account exceptions permitted by law to that uniform start date, including for districts of innovation, which authorize certain districts to select an earlier start date for a school year. Testimony provided to the committee noted that earlier start dates can result in districts starting the school year before the sales tax holiday begins, making it difficult for some teachers and families to take advantage of this holiday. H.B. 1587 seeks to resolve this issue by moving the sales tax holiday for qualifying clothing and footwear to the first weekend in August.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1587 amends the Tax Code to change the period during which the existing sales tax holiday for qualifying clothing and footwear takes place from a period beginning at 12:01 a.m. on the Friday before the 15th day preceding the fourth Monday in August and ending at 12 midnight on the following Sunday to a period beginning at 12:01 a.m. on the first Friday in August and ending at 12 midnight on the following Sunday. The bill does not affect tax liability accruing before the bill's effective date. That liability continues in effect as if the bill 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.

EFFECTIVE DATE

September 1, 2025.