

BILL ANALYSIS

H.B. 4226
By: Morales Shaw
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The bill author has informed the committee that since 2022, Texas food banks have spent approximately \$827,000 on vehicle sales taxes, money which could have provided an additional 2.84 million nutritious meals. The bill author has further informed the committee that state transportation-related fees are significantly impacting nonprofit food bank budgets, limiting their operational capacity and outreach efforts. H.B. 4226 seeks to address this issue by exempting nonprofit food banks from state vehicle sales taxes for vehicles used specifically for food distribution, including refrigerated trucks, meal delivery vans, and mobile pantries.

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. 4226 amends the Tax Code to exempt the sale, use, or rental of a motor vehicle that is purchased by a nonprofit food bank, defined by reference to statutory provisions governing motor fuel taxes, and used primarily by the nonprofit food bank for the food bank's purposes from taxes on the sale, use, or rental of a motor vehicle.

H.B. 4226 applies only to a sale, use, or rental of a motor vehicle that occurs on or after the bill's effective date.

EFFECTIVE DATE

September 1, 2025.