

By: Harris, et al.

H.B. No. 1399

A BILL TO BE ENTITLED

AN ACT

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.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.162 to read as follows:

Sec. 11.162. ANIMAL FEED HELD FOR SALE AT RETAIL. 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 tangible personal property if the property is held by the owner for sale at retail.

SECTION 2. This Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

SECTION 3. This Act takes effect January 1, 2026, but only if the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, 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 is approved by the voters. If that amendment is not approved by the voters, this Act has no effect.