

By: Harris

H.B. No. 1399

A BILL TO BE ENTITLED

AN ACT

1
2 relating to an exemption from ad valorem taxation of tangible
3 personal property consisting of animal feed held by the owner of the
4 property for sale at retail.

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

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

8 Sec. 11.162. ANIMAL FEED HELD FOR SALE AT RETAIL. The owner
9 of tangible personal property consisting of animal feed exempted
10 from sales and use taxes under Section 151.316(a)(3) or (4) is
11 entitled to an exemption from ad valorem taxation of the appraised
12 value of the tangible personal property if the property is held by
13 the owner for sale at retail.

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

16 SECTION 3. This Act takes effect January 1, 2026, but only
17 if the constitutional amendment proposed by the 89th Legislature,
18 Regular Session, 2025, authorizing the legislature to exempt from
19 ad valorem taxation tangible personal property consisting of animal
20 feed held by the owner of the property for sale at retail is
21 approved by the voters. If that amendment is not approved by the
22 voters, this Act has no effect.