

By: Curry

H.B. No. 2481

A BILL TO BE ENTITLED

AN ACT

relating to the exemption from sales and use taxes for clothing, footwear, and certain school-related items.

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

SECTION 1. Section 151.326, Tax Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) The sale of an article of clothing or footwear designed to be worn on or about the human body is exempted from the taxes imposed by this chapter if:

(1) the sales price of the article is less than \$150 [~~\$100~~]; and

(2) the sale takes place during a period beginning at 12:01 a.m. on the Friday before the 15th day preceding the uniform date prescribed by Section 25.0811(a), Education Code, without regard to any exception authorized by that section, before which a school district may not begin instruction for the school year, and ending at 12 midnight on the following Sunday.

(c) Beginning in 2026, on January 1 of each year, the amount prescribed by Subsection (a) is increased by an amount equal to the amount prescribed by that subsection on December 31 of the preceding year multiplied by the percentage increase, if any, during the preceding state fiscal year in the consumer price index and rounded to the nearest dollar. In this subsection, "consumer

1 price index" means the average over a state fiscal year of the  
2 Consumer Price Index for All Urban Consumers (CPI-U), U.S. City  
3 Average, published monthly by the United States Bureau of Labor  
4 Statistics, or its successor in function.

5 SECTION 2. Section 151.327, Tax Code, is amended by  
6 amending Subsection (a-1) and adding Subsection (c) to read as  
7 follows:

8 (a-1) The sale or storage, use, or other consumption of a  
9 school supply or a school backpack is exempted from the taxes  
10 imposed by this chapter if the school supply or backpack is  
11 purchased:

12 (1) for use by a student in a public or private  
13 elementary or secondary school;

14 (2) during the period described by Section  
15 151.326(a)(2); and

16 (3) for a sales price of less than \$150 [~~\$100~~].

17 (c) Beginning in 2026, on January 1 of each year, the amount  
18 prescribed by Subsection (a-1) is increased by an amount equal to  
19 the amount prescribed by that subsection on December 31 of the  
20 preceding year multiplied by the percentage increase, if any,  
21 during the preceding state fiscal year in the consumer price index  
22 and rounded to the nearest dollar. In this subsection, "consumer  
23 price index" means the average over a state fiscal year of the  
24 Consumer Price Index for All Urban Consumers (CPI-U), U.S. City  
25 Average, published monthly by the United States Bureau of Labor  
26 Statistics, or its successor in function.

27 SECTION 3. The change in law made by this Act does not

1 affect taxes imposed before the effective date of this Act, and the  
2 law in effect before the effective date of this Act is continued in  
3 effect for purposes of the liability for and collection of those  
4 taxes.

5 SECTION 4. This Act takes effect immediately if it receives  
6 a vote of two-thirds of all the members elected to each house, as  
7 provided by Section 39, Article III, Texas Constitution. If this  
8 Act does not receive the vote necessary for immediate effect, this  
9 Act takes effect September 1, 2025.