

1-1 By: Hunter, et al. H.B. No. 3486
1-2 (Senate Sponsor - Kolkhorst, et al.)
1-3 (In the Senate - Received from the House May 9, 2025;
1-4 May 12, 2025, read first time and referred to Committee on Finance;
1-5 May 22, 2025, reported adversely, with favorable Committee
1-6 Substitute by the following vote: Yeas 12, Nays 1; May 22, 2025,
1-7 sent to printer.)

1-8 COMMITTEE VOTE

1-9		Yea	Nay	Absent	PNV
1-10	Huffman	X			
1-11	Hinojosa of Hidalgo	X			
1-12	Alvarado	X			
1-13	Bettencourt	X			
1-14	Campbell	X			
1-15	Creighton	X			
1-16	Flores	X			
1-17	Hall			X	
1-18	Kolkhorst			X	
1-19	Nichols		X		
1-20	Paxton	X			
1-21	Perry	X			
1-22	Schwertner	X			
1-23	West	X			
1-24	Zaffirini	X			

1-25 COMMITTEE SUBSTITUTE FOR H.B. No. 3486 By: Hinojosa of Hidalgo

1-26 A BILL TO BE ENTITLED
1-27 AN ACT

1-28 relating to a deduction from the amount of taxable sales used to
1-29 calculate the amount of sales and use taxes that the owners of
1-30 restaurants that purchase Texas farm-raised oysters are required to
1-31 remit to the comptroller of public accounts.

1-32 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-33 SECTION 1. Subchapter I, Chapter 151, Tax Code, is amended
1-34 by adding Section 151.433 to read as follows:

1-35 Sec. 151.433. DEDUCTION FOR CERTAIN TAXPAYERS PURCHASING
1-36 TEXAS FARM-RAISED OYSTERS. (a) In this section:

1-37 (1) "Food service establishment" has the meaning
1-38 assigned by Section 437.001, Health and Safety Code.

1-39 (2) "Texas farm-raised oyster" means an oyster
1-40 cultivated in the waters of this state in accordance with all
1-41 applicable state and federal regulations.

1-42 (b) A taxpayer may deduct from the taxpayer's taxable sales
1-43 for the year, quarter, or month in which the sale is reported the
1-44 amount determined under Subsection (c) if the taxpayer owns a food
1-45 service establishment and purchases Texas farm-raised oysters to be
1-46 prepared and served at the establishment.

1-47 (c) A taxpayer may deduct from the taxpayer's taxable sales
1-48 for a year, quarter, or month for each food service establishment
1-49 for which a permit has been issued to the taxpayer under this
1-50 chapter the amount equal to \$5 for every 100 Texas farm-raised
1-51 oysters purchased for preparation and service at the food service
1-52 establishment during the year, quarter, or month, as applicable.

1-53 (d) The comptroller may require a taxpayer to provide any
1-54 information the comptroller determines is reasonably necessary to
1-55 determine the accuracy of the amount deducted by the taxpayer under
1-56 this section.

1-57 (e) The comptroller may adopt rules necessary to implement
1-58 and administer this section.

1-59 SECTION 2. The change in law made by this Act does not
1-60 affect tax liability accruing before the effective date of this

C.S.H.B. No. 3486
2-1 Act. That liability continues in effect as if this Act had not been
2-2 enacted, and the former law is continued in effect for the
2-3 collection of taxes due and for civil and criminal enforcement of
2-4 the liability for those taxes.
2-5 SECTION 3. This Act takes effect October 1, 2025.

2-6 * * * * *