

AN ACT

relating to a deduction from the amount of taxable sales used to calculate the amount of sales and use taxes that the owners of restaurants that participate in an oyster shell recycling program are required to remit to the comptroller of public accounts.

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

SECTION 1. Subchapter I, Chapter 151, Tax Code, is amended by adding Section 151.434 to read as follows:

Sec. 151.434. DEDUCTION FOR CERTAIN TAXPAYERS PARTICIPATING IN OYSTER SHELL RECYCLING PROGRAM. (a) In this section:

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

(2) "Qualified oyster shell recycling program" means an oyster shell recycling program recognized by the comptroller as a qualified oyster shell recycling program.

(b) A taxpayer may deduct from the taxpayer's taxable sales for the year, quarter, or month in which the sale is reported the amount determined under Subsection (c) if the taxpayer owns a food service establishment and participates in a qualified oyster shell recycling program.

(c) A taxpayer may deduct from the taxpayer's taxable sales for a year, quarter, or month for each food service establishment for which a permit has been issued to the taxpayer under this

1 chapter the amount equal to \$2 for each 50 pounds of oyster shells  
2 collected at the food service establishment and provided by the  
3 taxpayer to a project that recycles oyster shells as a result of the  
4 taxpayer's participation in a qualified oyster shell recycling  
5 program during the year, quarter, or month, as applicable.

6 (d) The comptroller may require a taxpayer to provide any  
7 information the comptroller determines is reasonably necessary to  
8 determine the accuracy of the amount deducted by the taxpayer under  
9 this section. The comptroller may request the assistance of the  
10 Parks and Wildlife Department in determining whether an oyster  
11 shell recycling program should be recognized as a qualified oyster  
12 shell recycling program and may consult with the department  
13 regarding other matters related to the implementation and  
14 administration of this section.

15 (e) The comptroller may adopt rules necessary to implement  
16 and administer this section, and may consult with the Parks and  
17 Wildlife Department and other relevant institutions and  
18 organizations when adopting the rules.

19 SECTION 2. The change in law made by this Act does not  
20 affect tax liability accruing before October 1, 2025. That  
21 liability continues in effect as if this Act had not been enacted,  
22 and the former law is continued in effect for the collection of  
23 taxes due and for civil and criminal enforcement of the liability  
24 for those taxes.

25 SECTION 3. This Act takes effect October 1, 2025.

H.B. No. 3487

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3487 was passed by the House on May 8, 2025, by the following vote: Yeas 129, Nays 10, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3487 on May 28, 2025, by the following vote: Yeas 124, Nays 6, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3487 was passed by the Senate, with amendments, on May 25, 2025, by the following vote: Yeas 29, Nays 2.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor