

1-1 By: Hunter, et al. H.B. No. 3487
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 13, Nays 0; 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. 3487 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 participate in an oyster shell recycling program
1-31 are required to 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 151.434 to read as follows:
1-35 Sec. 151.434. DEDUCTION FOR CERTAIN TAXPAYERS
1-36 PARTICIPATING IN OYSTER SHELL RECYCLING PROGRAM. (a) In this
1-37 section:
1-38 (1) "Food service establishment" has the meaning
1-39 assigned by Section 437.001, Health and Safety Code.
1-40 (2) "Qualified oyster shell recycling program" means
1-41 an oyster shell recycling program recognized by the comptroller as
1-42 a qualified oyster shell recycling program.
1-43 (b) A taxpayer may deduct from the taxpayer's taxable sales
1-44 for the year, quarter, or month in which the sale is reported the
1-45 amount determined under Subsection (c) if the taxpayer owns a food
1-46 service establishment and participates in a qualified oyster shell
1-47 recycling program.
1-48 (c) A taxpayer may deduct from the taxpayer's taxable sales
1-49 for a year, quarter, or month for each food service establishment
1-50 for which a permit has been issued to the taxpayer under this
1-51 chapter the amount equal to \$2 for each 50 pounds of oyster shells
1-52 collected at the food service establishment and provided by the
1-53 taxpayer to a project that recycles oyster shells as a result of the
1-54 taxpayer's participation in a qualified oyster shell recycling
1-55 program during the year, quarter, or month, as applicable.
1-56 (d) The comptroller may require a taxpayer to provide any
1-57 information the comptroller determines is reasonably necessary to
1-58 determine the accuracy of the amount deducted by the taxpayer under
1-59 this section. The comptroller may request the assistance of the
1-60 Parks and Wildlife Department in determining whether an oyster

shell recycling program should be recognized as a qualified oyster shell recycling program and may consult with the department regarding other matters related to the implementation and administration of this section.

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

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

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

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