

- SUBJECT:** Moving the sales tax holiday one weekend earlier in August
- COMMITTEE:** Ways and Means — favorable, without amendment
- VOTE:** 6 ayes — Hilderbran, Bohac, Button, Eiland, N. Gonzalez, Ritter
0 nays
3 absent — Otto, Martinez Fischer, Strama
- SENATE VOTE:** On final passage, April 15 — 30-0
- WITNESSES:** (*On House companion, HB 1202*)
For — Ronnie Volkening, Texas Retailers Association; Robbin Wells, Dallas Market Center; (*Registered, but did not testify*: Ellen Arnold, Texas PTA; Stephanie Gibson, Texas Retailers Association)
Against — None
- BACKGROUND:** Tax Code, sec. 151.326 creates a sales tax holiday for clothing and footwear with a sales price less than \$100, excluding:
- any special clothing or footwear primarily designed for athletic activity or protective use;
 - accessories, including jewelry, handbags, luggage, umbrellas, wallets, watches, and similar items not worn in a manner characteristic of clothing; and
 - the rental of clothing or footwear.
- The sales tax holiday begins the Friday that falls more than eight days before the earliest date of instruction for a non-year round school district — generally the fourth Monday in August — and ends the following Sunday. HB 1555 by Thompson, enacted in 2011, provided an exception to the early earliest day of instruction for certain districts.
- According to the comptroller, the sales tax holiday for 2013 will begin on Friday, August 16, and run through Sunday, August 18. Sales tax holidays for the last few years have occurred slightly later in August:

- 2012 — August 17-19;
- 2011 — August 19-21; and
- 2010 — August 20-22.

For 2013, the fourth Monday in August, when most school districts begin class, falls on August 27.

DIGEST:

SB 485 would move the sales tax holiday one week earlier in August, to the 15th day before the earliest date of instruction for a non-year round school district. The bill would specify that the earliest date of instruction for the purposes of determining the sales tax holiday weekend was not affected by any start-date exceptions granted to certain districts.

If the bill were enacted, the sales tax holiday for 2013 would begin on Friday, August 9, and run through Sunday, August 11.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2013.