

BILL ANALYSIS

Senate Research Center

S.J.R. 10
By: Ogden
Finance
8/3/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Section 24(a), Article VIII, Texas Constitution, states that a general law enacted by the legislature that imposes a tax on the net incomes of natural persons, including a person's share of partnership and unincorporated association income, must provide that the portion of the law imposing the tax not take effect until approved by a majority of the registered voters voting in a statewide referendum held on the question of imposing the tax.

As proposed, S.J.R. 10 proposes a constitutional amendment to Section 24, Article VIII, Texas Constitution, clarifying that a tax imposed on a business entity other than a sole proprietorship is not a personal income tax.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 24, Article VIII, Texas Constitution, by adding Subsection (k), to provide that this section (Personal Income Tax; Deduction of Proceeds) does not apply to a business entity other than a sole proprietorship, notwithstanding any other provision of this section.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 8, 2005. Sets forth the language for the ballot.