

BILL ANALYSIS

Senate Research Center
87R8078 SRA-F

H.B. 3578
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Finance
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, when a person or entity applies for a permit to engage in business involving cigarettes, cigars, and tobacco products, payment for the applicable cigarette and tobacco products tax permit may be made using cash, money order, or check. There have been calls to allow this payment to be made by credit card, which typically provides a faster and more efficient payment process. H.B. 3578 seeks to heed these calls by providing a credit card payment option to an applicant for an applicable cigarette and tobacco products tax permit

H.B. 3578 amends current law relating to the payment methods for cigarette and tobacco products permit fees.

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 154.1135(b), Tax Code, as follows:

(b) Requires that the payment for an application for a permit to engage in business as a distributor, wholesaler, bonded agent, manufacturer, export warehouse, importer, or retailer of cigarettes be made in cash or by money order, check, or credit card, rather than be in cash or by money order or check.

SECTION 2. Amends Section 155.050(b), Tax Code, as follows:

(b) Requires that the payment for an application for a permit to engage in business as a distributor, wholesaler, bonded agent, manufacturer, export warehouse, importer, or retailer of cigars and tobacco products be made in cash or by money order, check, or credit card, rather than be in cash or by money order or check.

SECTION 3. Effective date: September 1, 2021.