

1-1 By: Metcalf, Ashby, Button H.B. No. 3799
 1-2 (Senate Sponsor - Nichols)
 1-3 (In the Senate - Received from the House April 21, 2021;
 1-4 May 4, 2021, read first time and referred to Committee on Finance;
 1-5 May 11, 2021, reported favorably by the following vote: Yeas 10,
 1-6 Nays 2; May 11, 2021, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11		X		
1-12	X			
1-13	X			
1-14			X	
1-15	X			
1-16	X			
1-17	X			
1-18			X	
1-19	X			
1-20		X		
1-21	X			
1-22	X			
1-23			X	

1-24 A BILL TO BE ENTITLED
 1-25 AN ACT

1-26 relating to the exemption from sales and use taxes for items sold by
 1-27 a nonprofit organization at a county fair.

1-28 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-29 SECTION 1. Section 151.3102, Tax Code, is amended to read as
 1-30 follows:

1-31 Sec. 151.3102. SALE BY NONPROFIT ORGANIZATION AT COUNTY
 1-32 FAIR. (a) The sale of a taxable item is exempt from the taxes
 1-33 imposed by this chapter if:

1-34 (1) the seller or retailer is a county fair
 1-35 association or another nonprofit organization that is exempt from
 1-36 federal income taxation under Section 501(a), Internal Revenue Code
 1-37 of 1986, by being listed as an exempt organization in Section
 1-38 501(c)(3) of that code;

1-39 (2) the sale takes place at a county fair operated by a
 1-40 county fair association on property owned by the county; and

1-41 (3) the purchaser is a person attending or
 1-42 participating in the fair.

1-43 (b) In this section:

1-44 (1) "County fair association" means an organization
 1-45 that is exempt from federal income taxation under Section 501(a),
 1-46 Internal Revenue Code of 1986, by being listed as an exempt
 1-47 organization in Section 501(c)(3) of that code and that organizes a
 1-48 county fair that is primarily for the exhibition of local
 1-49 horticultural or agricultural products or livestock. The term does
 1-50 not include:

1-51 (A) an association that holds a license issued
 1-52 after January 1, 2001, under Subtitle A-1, Title 13, Occupations
 1-53 Code (Texas Racing Act); or

1-54 (B) an association that organizes events other
 1-55 than a county fair, including an exhibition of arts and crafts or a
 1-56 state fair.

1-57 (2) "Livestock" includes turkeys, domesticated fowl,
 1-58 cows, sheep, swine, horses, mules, donkeys, and goats. The term
 1-59 does not include domesticated animals such as dogs, cats, guinea
 1-60 pigs, hamsters, or other similar animals.

1-61 SECTION 2. The change in law made by this Act does not

2-1 affect tax liability accruing before the effective date of this
2-2 Act. That liability continues in effect as if this Act had not been
2-3 enacted, and the former law is continued in effect for the
2-4 collection of taxes due and for civil and criminal enforcement of
2-5 the liability for those taxes.

2-6 SECTION 3. This Act takes effect October 1, 2021.

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