

1-1 By: Buckley, et al. (Senate Sponsor - Middleton) H.B. No. 3336
 1-2 (In the Senate - Received from the House April 30, 2025;
 1-3 May 1, 2025, read first time and referred to Committee on State
 1-4 Affairs; May 26, 2025, reported favorably by the following vote:
 1-5 Yeas 10, Nays 0; May 26, 2025, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
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 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to an alcoholic beverage tax credit for certain liquor or
 1-22 malt beverage byproducts donated for agricultural use in this
 1-23 state.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-25 SECTION 1. Title 5, Alcoholic Beverage Code, is amended by
 1-26 adding Chapter 207 to read as follows:

1-27 CHAPTER 207. TAX CREDIT FOR DONATION OF CERTAIN BYPRODUCTS FOR
 1-28 AGRICULTURAL USE

1-29 Sec. 207.01. DEFINITIONS. In this chapter:

1-30 (1) "Eligible taxpayer" means a person that:

1-31 (A) pays a tax under this title and holds:

1-32 (i) a permit under Chapter 14 or 37; or

1-33 (ii) a license under Chapter 62, 63, or 74;

1-34 or

1-35 (B) pays a tax under this title on the first sale
 1-36 of liquor or a malt beverage that is imported into this state.

1-37 (2) "Spent grain byproduct" means the byproduct
 1-38 material remaining from grain used to produce liquor or malt
 1-39 beverages.

1-40 Sec. 207.02. ELIGIBILITY FOR CREDIT. An eligible taxpayer
 1-41 is entitled to a credit in the amount and under the conditions
 1-42 provided by this chapter against taxes paid under this title.

1-43 Sec. 207.03. AMOUNT OF CREDIT; LIMITATION. (a) Subject to
 1-44 Subsection (b), the amount of an eligible taxpayer's credit for a
 1-45 state fiscal year is equal to the product of:

1-46 (1) \$0.08; and

1-47 (2) the number of pounds dry weight of spent grain
 1-48 byproduct donated by the taxpayer during the state fiscal year:

1-49 (A) for agricultural use, including for use in
 1-50 composting or as animal feed; and

1-51 (B) to a location in this state that is not more
 1-52 than 100 miles from the location where the spent grain byproduct was
 1-53 used to produce liquor or a malt beverage.

1-54 (b) An eligible taxpayer may not claim in a state fiscal
 1-55 year a credit under this chapter that exceeds the lesser of:

1-56 (1) \$30,000; or

1-57 (2) the total amount of taxes paid by the taxpayer
 1-58 under this title during the state fiscal year.

1-59 Sec. 207.04. APPLICATION FOR CREDIT. (a) A taxpayer must
 1-60 apply for a credit under this chapter in the manner prescribed by
 1-61 the commission.

2-1 (b) The commission may request from a taxpayer information
2-2 reasonably necessary to determine:

2-3 (1) whether the taxpayer is an eligible taxpayer; and

2-4 (2) if the taxpayer is an eligible taxpayer, the
2-5 amount of the credit.

2-6 (c) The commission may adopt rules and procedures necessary
2-7 to implement and administer this section.

2-8 SECTION 2. A taxpayer may apply for a credit under Chapter
2-9 207, Alcoholic Beverage Code, as added by this Act, only for a
2-10 donation made on or after the effective date of this Act.

2-11 SECTION 3. Chapter 207, Alcoholic Beverage Code, as added
2-12 by this Act, applies only to a tax originally due under Title 5,
2-13 Alcoholic Beverage Code, on or after the effective date of this Act.

2-14 SECTION 4. This Act takes effect September 1, 2025.

2-15

* * * * *