

Chapter 179

S.B. No. 31

AN ACT

1  
2 relating to the authority of certain volunteer firefighter and  
3 emergency services organizations to hold tax-free sales or  
4 auctions.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 151.310, Tax Code, is amended by adding  
7 Subsection (c-1) to read as follows:

8 (c-1) Notwithstanding Subsection (c), an organization that  
9 qualifies for an exemption under Subsection (a)(4) may hold 10  
10 tax-free sales or auctions during a calendar year. Each tax-free  
11 sale or auction may continue for not more than 72 hours. The  
12 storage, use, or consumption of a taxable item that is acquired from  
13 a qualified organization at a tax-free sale or auction and that is  
14 exempted under this subsection from the taxes imposed by Subchapter  
15 C is exempted from the use tax imposed by Subchapter D until the  
16 item is resold or subsequently transferred. If an organization  
17 that qualifies for an exemption under Subsection (a)(4) jointly  
18 holds a tax-free sale or auction with one or more other exempt  
19 organizations, the tax-free sale or auction is considered to be one  
20 of the organization's 10 tax-free sales or auctions authorized by  
21 this subsection during that calendar year.

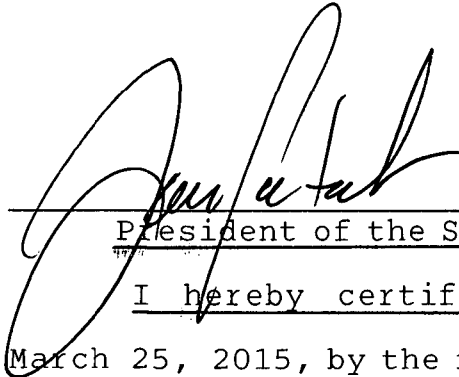
22 SECTION 2. The change in law made by this Act does not  
23 affect tax liability accruing before the effective date of this  
24 Act. That liability continues in effect as if this Act had not been

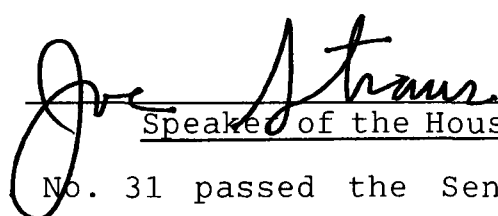
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1 enacted, and the former law is continued in effect for the  
2 collection of taxes due and for civil and criminal enforcement of  
3 the liability for those taxes.

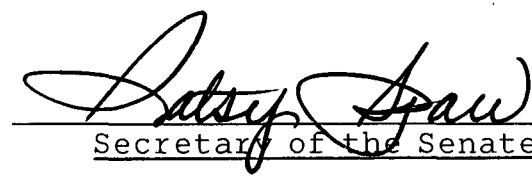
4       SECTION 3. This Act takes effect immediately if it receives  
5 a vote of two-thirds of all the members elected to each house, as  
6 provided by Section 39, Article III, Texas Constitution. If this  
7 Act does not receive the vote necessary for immediate effect, this  
8 Act takes effect September 1, 2015.

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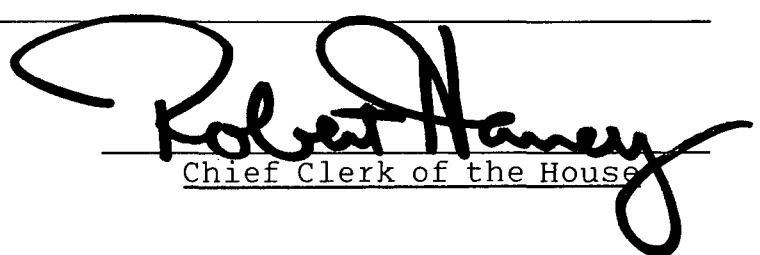
  
President of the Senate

  
Speaker of the House

I hereby certify that S.B. No. 31 passed the Senate on March 25, 2015, by the following vote: Yeas 31, Nays 0.

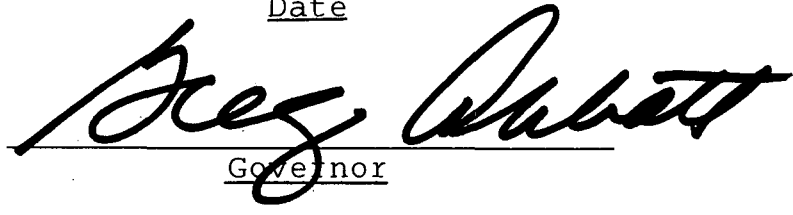
  
Secretary of the Senate

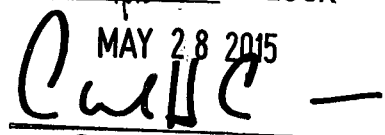
I hereby certify that S.B. No. 31 passed the House on May 15, 2015, by the following vote: Yeas 139, Nays 0, two present not voting.

  
Chief Clerk of the House

Approved:

5-28-2015  
Date

  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
9      O'CLOCK  
MAY 28 2015  
  
Secretary of State

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**February 27, 2015**

**TO:** Honorable Jane Nelson, Chair, Senate Committee on Finance

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: SB31** by Zaffirini (Relating to the authority of certain volunteer firefighter and emergency services organizations to hold tax-free sales or auctions.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend Chapter 151 of the Tax Code, relating to the sales and use tax and the authority of certain volunteer firefighter and emergency services organizations to hold tax-free sales or auctions.

The bill would restore and amend expired Subsection (c-1) of Section 151.310 to allow organizations exempt under Section 151.310(a)(4) to hold 10 tax-free sales or auctions during a calendar year, each not to continue for more than 72 hours. Items purchased tax-free under this subsection would not be subject to use tax under Subchapter D of this chapter until the item is resold or transferred. If a volunteer firefighter or emergency services organization jointly holds a tax-free sale or auction with one or more other exempt organizations, the sale or auction would count towards the 10 tax-free sales or auctions authorized.

Authority for the same number of tax-free sales by these volunteer firefighter and emergency services organizations was previously provided by a Subsection (c-1) of Section 151.310, which expired September 1, 2014. This bill would provide permanent authority for these tax-free sales, and add the stipulation that jointly held sales count toward an organization's annual limit under this Subsection.

Comptroller tax files indicate only negligible taxable sales by volunteer fire and volunteer fire/EMS organizations. Exemption of a fraction of such sales would have no significant revenue implications for the state.

The bill would take effect immediately upon enactment, assuming it receives the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2015.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

SECTION 3. Effective date: upon passage or September 1, 2015.