

BILL ANALYSIS

H.B. 321
By: Howard
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Feminine hygiene products are currently subject to a minimum 6.25 percent state sales tax. In Texas, more than a thousand local taxing jurisdictions impose an additional two percent sales and use tax for a maximum combined rate of 8.25 percent. Currently, Texas has sales tax exemptions for a number of comparable medical products, including sunscreen, dandruff shampoo, antibacterial personal care items, over-the-counter pain relievers, and wound care dressings and supplies. Exempting feminine hygiene products from the sales tax would correctly treat these products comparably to those medical products already exempted and alleviate a disproportionate tax burden on those using such products. H.B. 321 seeks to address this issue by providing for a sales and use tax exemption for these products.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 321 amends the Tax Code to exempt the sale, use, or consumption of a feminine hygiene product from the sales and use tax.

EFFECTIVE DATE

September 1, 2021.