

## **BILL ANALYSIS**

Senate Research Center  
76R5550 SMJ-F

H.B. 2146  
By: Allen (Harris)  
Finance  
5/11/1999  
Engrossed

### **DIGEST**

Currently, food, candy, chewing gum, toys, and other items designed primarily to be used or played with by children that are sold through coin-operated bulk vending machines for less than 25 cents are exempt from sales, excise, and use tax. H.B. 2146 would increase the limit on this exemption to 50 cents.

### **PURPOSE**

As proposed, H.B. 2146 establishes provisions regarding the application of the sales tax on certain items sold through coin-operated vending machines.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 151.305(a), Tax Code, to provide that certain tangible property sold through a coin-operated bulk vending machine for a total consideration of 50 cents, rather than 25 cents, or less is exempt from the taxes imposed by this chapter.

SECTION 2. (a) Effective date: the first day of the first calendar quarter beginning on or after the earliest date that it may take effect under Section 39, Article III, Texas Constitution.

(b) Makes application of this Act prospective.

SECTION 3. Emergency clause.