

BILL ANALYSIS

Senate Research Center

S.B. 379
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Finance
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the Comptroller of Public Accounts of the State of Texas, by rule, has exempted "wound care dressings" from sales and use tax. S.B. 379 codifies the comptroller's current policy and provides that items such as adhesive bandages, gauze pads, and medical tape, purchased to prevent bacterial contamination of a wound, are exempt from tax. The bill also provides items that are excluded from the definition of wound care dressing and therefore taxable.

Furthermore, S.B. 379 defines and exempts feminine hygiene products that are "sold for the principal purpose of feminine hygiene in connection with the menstrual cycle." This includes tampons, pads, menstrual cups, certain underwear, washes, and douches used for feminine hygiene in connection with the menstrual cycle.

(Original Author's/Sponsor's Statement of Intent)

S.B. 379 amends current law relating to an exemption from sales and use taxes for certain family care items.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 151.313, Tax Code, by amending Subsection (a) and adding Subsections (g), (h), and (i), as follows:

(a) Provides that certain items are exempted from the taxes imposed by Chapter 151 (Limited Sales, Excise, and Use Tax), including a wound care dressing, an adult or a children's diaper, and a baby wipe. Makes nonsubstantive changes.

(g) Provides that a product is a wound care dressing for purposes of Section 151.313 (Health Care Supplies) if the product is used to prevent bacterial contamination of a wound by absorbing wound drainage, protecting healing tissue, or maintaining a moist or dry wound environment. Provides that the term includes individual sterile adhesive bandages, sterile rolls or pads of gauze, and surgical and medical tape used to secure a wound care dressing to a patient. Provides that the term does not include general purpose absorption items, such as cotton balls, cotton swabs, or tissues, or appliances or devices used to drain bodily fluids or irrigate body cavities, such as drains, suction catheters, or irrigation systems.

(h) Provides that a product is:

(1) a diaper for purposes of this section if the product is an absorbent garment worn by humans who are incapable of, or have difficulty, controlling their bladder or bowel movements;

(2) an adult diaper for purposes of this section if the product is a diaper other than a children's diaper; and

(3) a children's diaper for purposes of this section if the product is a diaper marketed to be worn by children.

(i) Provides that a product is a baby wipe for purposes of this section if the product is a moistened and disposable tissue or towel intended for cleansing the skin of a young child.

SECTION 2. Amends Subchapter H, Chapter 151, Tax Code, by adding Sections 151.3132, 151.3133, 151.3134, and 151.3135, as follows:

Sec. 151.3132. FEMININE HYGIENE PRODUCTS. (a) Defines "feminine hygiene product."

(b) Provides that the sale, storage, use, or other consumption of a feminine hygiene product is exempted from the taxes imposed by this chapter.

Sec. 151.3133. MATERNITY CLOTHING. (a) Defines "maternity clothing."

(b) Provides that the sale, storage, use, or other consumption of an article of maternity clothing is exempted from the taxes imposed by this chapter.

Sec. 151.3134. BREAST MILK PUMPING PRODUCTS. (a) Defines "breast milk pumping product" and "breast pump."

(b) Provides that the sale, storage, use, or other consumption of a breast milk pumping product is exempted from the taxes imposed by this chapter.

Sec. 151.3135. BABY BOTTLES. (a) Defines "baby bottle."

(b) Provides that the sale, storage, use, or other consumption of a baby bottle is exempted from the taxes imposed by this chapter.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 2023.