

TAX CODE CHAPTER 161. FIREWORKS TAX

TAX CODE

TITLE 2. STATE TAXATION

SUBTITLE E. SALES, EXCISE, AND USE TAXES

CHAPTER 161. FIREWORKS TAX

Sec. 161.001. DEFINITION. In this chapter, "fireworks" means any composition or device that is designed to produce a visible or audible effect by combustion, explosion, deflagration, or detonation that is classified as Division 1.4G explosives by the United States Department of Transportation in 49 C.F.R. Part 173 as of September 1, 1999.

Added by Acts 2001, 77th Leg., ch. 1363, Sec. 2, eff. Oct. 1, 2001.

Sec. 161.002. FIREWORKS SALES TAX. (a) A tax is imposed on each sale at retail of fireworks.

(b) The tax rate is two percent of the sale price of the fireworks.

(c) The tax imposed under this chapter is in addition to the tax imposed under Chapter 151. The tax imposed by this chapter does not apply to a sale unless the tax imposed under Chapter 151 applies to the sale.

Added by Acts 2001, 77th Leg., ch. 1363, Sec. 2, eff. Oct. 1, 2001.

Sec. 161.003. EXCEPTIONS TO APPLICABILITY OF CHAPTER. This chapter does not apply to:

(1) a toy pistol, toy cane, toy gun, or other device that uses a paper or plastic cap;

(2) a model rocket or model rocket motor designed, sold, and used for the purpose of propelling a recoverable aero model;

(3) a propelling or expelling charge consisting of a mixture of sulfur, charcoal, and potassium nitrate;

(4) a novelty or trick noisemaker;

(5) a pyrotechnic signaling device or distress signal for marine, aviation, or highway use in an emergency situation;

(6) a fusee or railway torpedo for use by a railroad;

(7) the sale of a blank cartridge for use in a radio, television, film, or theater production, for signal or ceremonial purposes in athletic events, or for industrial purposes; or

(8) a pyrotechnic device for use by a military organization.

Added by Acts 2001, 77th Leg., ch. 1363, Sec. 2, eff. Oct. 1, 2001.

Sec. 161.004. APPLICATION OF OTHER PROVISIONS OF CODE.

(a) Except as provided by this chapter:

(1) the tax imposed by this chapter is administered, imposed, collected, and enforced in the same manner as the tax under Chapter 151 is administered, imposed, collected, and enforced; and

(2) the provisions of Chapter 151 applicable to the sales tax imposed under Subchapter C, Chapter 151, apply to the tax imposed by this chapter.

(b) A change in the law relating to the taxation of the sale of fireworks under Chapter 151 also applies to the tax imposed by this chapter.

Added by Acts 2001, 77th Leg., ch. 1363, Sec. 2, eff. Oct. 1, 2001.

Sec. 161.005. ALLOCATION OF TAX. The comptroller shall allocate the revenue from taxes imposed by this chapter, other than penalties and interest, to the rural volunteer fire department insurance fund established by Section 614.075, Government Code.

Added by Acts 2001, 77th Leg., ch. 1363, Sec. 2, eff. Oct. 1, 2001.