

CITY OF JOSHUA, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JOSHUA, TEXAS, EXPRESSING SUPPORT FOR HOUSE BILL 134 (MEYER) RELATIVE TO LOCAL SALES TAX SOURCING; MAKING FINDINGS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Joshua, Texas, is a Home Rule Municipality and exists under the laws of the State of Texas; and

WHEREAS, the Texas Legislature is currently considering House Bill 134 (Meyer), which proposes significant changes to the sourcing of local sales tax; and

WHEREAS, House Bill 134 (Meyer) would alter the current framework for determining where sales tax is sourced, including but not limited to:

1. Defining a “place of business” for a retailer in a manner that excludes certain online components, such as computer servers, Internet protocol addresses, websites, or software applications;
2. Requiring that sales by “small businesses” (defined by specific revenue and employee thresholds) be sourced to the business’ principal location;
3. Changing the sales tax sourcing for non-small businesses based on where orders are shipped or delivered; and
4. Providing special provisions for certain retailers with active economic development agreements with cities, as more fully described in HB 134.

WHEREAS, the City of Joshua relies on local sales tax revenue to fund essential services such as public safety, infrastructure, and economic development initiatives that benefit all of the City’s residents and businesses; and

WHEREAS, the provisions in House Bill 134 in all likelihood will provide for additional local sales tax revenue since the point of delivery in most instances determines the local government for whom the local sales tax applies; and

WHEREAS, not unlike many municipalities, residents of the City of Joshua often receive goods shipped or delivered to them, and as noted, the City would receive local sales tax as the point of delivery; and

WHEREAS, the City Council of the City of Joshua, Texas, believes that HB 134, if adopted and signed by the Governor, would benefit the City and its residents.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JOSHUA, TEXAS, THAT:

SECTION 1

All of the above premises are hereby found to be true and correct legislative and factual findings of the City of Joshua and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

SECTION 2

The City Council of the City of Joshua, Texas, hereby expresses its support for House Bill 134 (Meyer) – Local Sales Tax Sourcing, in its current form, due to the potential positive impact it would have on the City’s local sales tax collections.

SECTION 3

The City Council hereby directs the City Manager to communicate the City’s support of House Bill 134 to the appropriate legislative representatives and to work with other municipalities and organizations to advocate for the interests of local governments in Texas.

SECTION 4

This Resolution shall take effect immediately upon its passage, and it is so resolved.

PASSED, APPROVED, AND ADOPTED, by the City Council of the City of Joshua, Texas, this the 20th day of March, 2025.

Scott Kimble, Mayor

ATTEST:

Alice Holloway, City Secretary

Terrence S. Welch, City Attorney