

CITY OF JOSHUA, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JOSHUA, TEXAS, EXPRESSING OPPOSITION TO HOUSE BILL 924 (SCHOFIELD) RELATIVE TO 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 924 (Schofield), which would amend current law concerning the sourcing of sales and use taxes for taxable items by generally providing that sales of taxable items are considered to occur at the location in the state where the item was stored immediately before shipment, delivery, or transfer of possession to the customer; and

WHEREAS, the City of Joshua relies on its local sales tax revenue as an essential source of funding for vital services, including public safety, infrastructure, and community development; and

WHEREAS, the proposed changes in House Bill 924, if adopted, would limit the ability of local governments to collect sales tax revenue based on where the sale is completed, potentially resulting in a significant loss of local sales tax revenue for the City of Joshua; and

WHEREAS, the City Council of the City of Joshua believes that the current system of sales tax sourcing, which is based on the location where the sale is consummated, better supports local governments' ability to manage their budgets and provides a fairer distribution of sales tax revenue based on where goods and services are consumed; and

WHEREAS, House Bill 924 would create confusion and additional administrative burdens for local governments and businesses alike, which could hinder economic growth and affect the efficiency of local revenue collection systems; and

WHEREAS, the City Council of the City of Joshua believes it is critical to protect local control over sales tax revenue in order to ensure the continued prosperity and financial health of 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 opposition to House Bill 924 (Schofield), relative to Sales Tax Sourcing, in its current form, due to the potential negative impact it would have on the City of Joshua’s ability to collect and utilize sales tax revenue for essential local services. Consequently, the City Council of the City of Joshua, Texas, urges the Texas Legislature to consider alternative measures that would not undermine local governments’ authority to manage and allocate sales tax revenue effectively.

SECTION 3

The City Council hereby directs the City Manager to communicate the City’s opposition to House Bill 924 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