



**LEGISLATOR'S GUIDE  
TO THE ISSUES  
2021-2022**

## Supermajority Requirement to Raise Taxes

### The Issue

Because rising taxes burdens Texans, legislators should not raise taxes unless there is a broad consensus. The challenge for Texans is to develop a tax system that collects sufficient tax receipts to pay for necessary services while preserving liberty and inflicting the least amount of economic harm.

The state tax that collects the most receipts is the sales tax, as it is expected to account for 54.5% of total tax collections in 2020-21. Compared with other major taxes, research finds the sales tax is the least intrusive, allows more choices, and is simple to understand and administer. Hence, a sales tax is the most efficient while causing the least economic harm.

Fortunately, Texas does not have a personal income tax and Texans recently approved a constitutional amendment prohibiting the imposition of a personal income tax. Research shows that over a 10-year period, economic performance of the nine states without an income tax surpassed that of the nine states with the highest personal income tax rates and the 50-state average.

To limit rising tax burdens on Texans, lawmakers should pass legislation requiring a two-thirds supermajority of the state to raise taxes instead of the current simple majority threshold. Texas lags behind 14 states regarding such supermajority requirement, according to the National Conference of State Legislatures.

For multiple sessions, Senate Joint Resolution 27 was filed but never passed. It would have achieved the goal of requiring a supermajority vote “for passage of a bill that imposes a new state tax or increases the rate of an existing state tax above the rate in effect on the date the bill was filed.”

Considering taxes affect taxpayers and with so much at stake—jobs, the economy, and Texans’ financial well-being—legislators should enact a higher threshold to raise taxes or pass a new tax.

### The Facts

- A sales tax is preferable to other forms of tax because it is simple, transparent, and levied only on the end user.
- The 10-year economic performance of the nine states without a personal income tax surpasses the economic performance of the nine states with the highest personal income tax rates.
- Because rising taxes burdens Texans, taxes should only be raised with a broad consensus.

### Recommendations

- State and local governments should rely on the sales tax as their main source of revenue.
- The Legislature should pass legislation requiring a supermajority (two-thirds) vote in each chamber to raise taxes or create a new tax.

### Resources

[\*Certification Revenue Estimated 2020-21 \(Revised July 2020\)\*](#) by Texas Comptroller (July 2020).

[\*Paths to Real Property Tax Cuts\*](#) by Vance Ginn, Texas Public Policy Foundation (April 2019).

[\*Do Institutions Matter for Prosperity in Texas and Beyond?\*](#) by Vance Ginn, Texas Public Policy Foundation (Sept. 2018).

[\*Testimony before the Senate Committee on Finance Regarding Senate Joint Resolution 27\*](#) by Talmadge Heflin, Texas Public Policy Foundation (April 2013).