

## **BILL ANALYSIS**

H.B. 1088

By: Hill

Local Government Ways and Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Current law requires the comptroller of public accounts (comptroller) to provide, upon request, sales tax point-of-origin information on businesses that remit more than \$100,000 annually to a municipality that has a population of less than 275,000. This information is valuable for budgeting and trending a municipality's sales tax revenue, which can fluctuate significantly based on the changing economic climate. A municipality is required to keep the sales tax information received from the comptroller confidential, and currently the governing body of a municipality may not review this information in an open meeting or in an executive session. H.B. 1088 requires the comptroller to provide, upon request, sales tax point-of-origin information of businesses that remit more than \$25,000 annually to a municipality that has a population of less than 275,000. H.B. 1088 also modifies that Tax Code to allow the governing body of a municipality to review sales tax remittances provided by the comptroller, while protecting the confidentiality of the information.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

Amends Section 321.3022(a), Tax Code, to lower the threshold for the requirement of the comptroller to remit information, upon request, in relation to the amount of tax to be paid under this Chapter during the preceding or current calendar year to municipalities with a population of not more than 275,000 by each person doing business in the municipality who annually remits to the comptroller state and local sales tax payments of more than \$25,000 rather than \$100,000.

The governing body of a municipality is not required to confer with one or more employees or a third party in an open meeting to review information or question the employees or third party regarding the information received by the municipality under this section.

### **EFFECTIVE DATE**

Immediately upon a vote of two-thirds of all members elected to each house as provided by Section 39, Article II, Texas Constitution. Otherwise, September 1st, 2003.