

By: Staples

S.B. No. 108

A BILL TO BE ENTITLED

AN ACT

relating to a tax impact statement for certain legislation affecting state taxes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 314, Government Code, is amended by adding Section 314.005 to read as follows:

Sec. 314.005. IMPACT STATEMENT ON STATE TAX LEGISLATION.

(a) The chair of a committee of either house of the legislature to which a bill or resolution is referred that proposes to impose, repeal, or eliminate a state tax or to increase or decrease the rate of a state tax shall request the board to prepare a tax impact statement for the bill or resolution.

(b) On receipt of a request under Subsection (a), the board shall prepare a tax impact statement for the bill or resolution and include that statement in any fiscal note prepared by the board for the bill or resolution under the rules of the appropriate house. The tax impact statement must:

(1) provide an estimate of the fiscal implications of the tax proposal included in the bill or resolution for the first five years after its implementation and state whether there will be fiscal implications after that period; and

(2) include a tax equity note estimation of the general effects of the tax proposal on the distribution of tax burdens among individuals and businesses.

1 SECTION 2. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2003.