

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**April 15, 2003**

**TO:** Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB1088** by Hill (Relating to sales tax information provided by the comptroller to certain municipalities.), **As Engrossed**

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| <b>No fiscal implication to the State is anticipated.</b> |
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The bill would amend Chapter 321 of the Tax Code, relating to sales tax information provided by the Comptroller to municipalities.

Under current law, the Comptroller upon request, must provide to a municipality that has adopted a tax under Chapter 321 and that has a population of not more than 275,000, information relating to the amount of tax paid to the municipality during the preceding or current year by each person doing business in the municipality who annually remits to the Comptroller state and local sales tax payments of more than \$100,000.

The bill would lower the tax payment threshold to \$25,000 for the Comptroller to provide information. In addition, the governing body of a municipality would not have to confer with one or more employees or a third party in an open meeting to receive information or question the employees or the third party regarding the information received.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2003.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JK, DLBa, SD, WP, SM