

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

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

**May 24, 2003**

**TO:** Honorable Teel Bivins, Chair, Senate Committee on Finance

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

**IN RE: HB2424** by McCall (Relating to technical changes to taxes and fees administered by the comptroller; providing penalties.), **Committee Report 2nd House, Substituted**

**No significant fiscal implication to the State is anticipated during the next five fiscal years.**

Under current law, the provision granting a reduced tax rate on high-cost natural gas would not apply to wells spudded or completed after September 1, 2010. The bill would extend the reduced tax rate to high-cost wells drilled after September 1, 2010. This provision would result in a significant loss of state revenue beginning in fiscal year 2010.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 454 Department of Insurance

**LBB Staff:** JK, SD, WP, RS