

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 1, 2003

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

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB948 by Lindsay (Relating to the authority of the board of a hospital district and the commissioners court of the county in which the district is located to take certain actions relating to ad valorem taxes imposed for the benefit of the hospital district.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would authorize the county commissioners court in a county with a hospital district, with regard to an ad valorem tax imposed for the benefit of the district, to adopt an exemption, partial exemption, or other form of relief from the tax; elect to tax property that would otherwise be exempt from an ad valorem tax; and exercise a power granted to a taxing unit under Section 6.30, Tax Code. The board of the hospital district would be explicitly prohibited from exercising any of the authority given the county commissioners court regarding the imposition or collection of an ad valorem tax imposed for the district's benefit.

The bill would take effect September 1, 2003. Tax exemptions would apply only to exemptions of property for a tax year that begins on or after January 1, 2004. The proposed changes in statute would not affect a contract entered into before the effective date under Section 6.30(c), Tax Code.

Counties and hospital districts responding to a request about the fiscal impact said there would be little or no fiscal impact from implementation of the provisions of the bill.

Local Government Impact

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

Source Agencies:

LBB Staff: JK, DLBa