

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 1, 2003

TO: Honorable David Dewhurst, Lieutenant Governor, Senate

FROM: John Keel, Director, Legislative Budget Board

IN RE: SJR25 by Staples (Proposing a constitutional amendment authorizing the legislature to exempt certain travel trailers from ad valorem taxation.), **As Passed 2nd House**

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$475,584.

The proposed Constitutional amendment would exempt travel trailers from property taxes if the travel trailer was personal property and was not held or used for the production of income, subject to the approval of enabling legislation. The exemption would not apply to a structure that is substantially affixed to real estate and used or occupied as a residential dwelling. The proposed constitutional amendment would be held on September 13, 2003.

According to the Secretary of State, presenting one constitutional amendment on a ballot results in higher costs because economies of scales are lost. The estimated cost of \$475,584 would include \$314,062 for postage, \$50,872 for printing, \$110,500 for newspaper advertising, and \$150 for translation costs. According to the Secretary of State, these costs are similar to those experienced in November 2002 when one constitutional amendment was presented to voters.

The resolution would have no fiscal impact, except the cost of publication. If enabling legislation were enacted, however, there could be a fiscal impact on the state and units of local government.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 307 Secretary of State

LBB Staff: JK, SD, WP, DLBe