

BILL ANALYSIS

C.S.H.B. 229
By: Solomons
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, taxes adopted by the Legislature are not evaluated after they become provisions of the Tax Code. Unless a bill is introduced involving that specific provision, the Legislature does not have a mechanism to regularly evaluate taxes and whether their existence is still appropriate. C.S.H.B. 229 creates a Select Committee on Taxation which will review state and local taxes on a decennial basis and make recommendations to the legislature and governor.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 229 creates a Select Committee on Taxation (committee) to review state and local taxes during the first odd-numbered year each decade. The bill sets forth who will comprise the committee, the terms the members will serve, the rights and powers the members have, and the committee's charges and responsibilities. The bill provides that, on request of the committee, the Legislative Budget Board, the Texas Legislative Council, the Office of the Governor, the Comptroller, the Senate, and the House of Representatives will provide staff necessary to carry out the duties of the committee. The bill requires the cooperation of other state entities. The bill further provides that operating expenses for the committee shall be paid from the available funds of the Office of the Governor and the contingent expense funds of the Senate and the House of Representatives.

EFFECTIVE DATE

September 1, 2005.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 229 differs from the original in the taxes are not subject to a review by the Texas Sunset Advisory Commission, but are reviewed by a Select Committee on Taxation. The substitute adds language creating that committee and its corresponding rights, duties, and powers and including the corresponding duties of other state entities.