

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 21, 2005

TO: Honorable Todd Staples, Chair, Senate Committee on Transportation & Homeland Security

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB988 by Chisum (Relating to the county in which a seller of a motor vehicle may file an application for registration and certificate of title.), **Committee Report 2nd House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would specify that if a registered automobile dealer, upon sale of a vehicle, applies for registration of the vehicle in the name of the purchaser in a county other than the county of the purchaser's residence, the provisions of the bill would authorize the purchaser to direct the tax assessor-collector of the county in which the vehicle is registered to tender to the assessor-collector of the purchaser's county of residence all taxes, fees, and other revenue collected from that transaction, which the original assessor-collector was authorized to retain.

The bill would require the Texas Department of Transportation (TxDOT) to develop a form by which the purchaser may designate the purchaser's county of residence as the recipient of the applicable taxes, fees, and other revenues.

Based on the analysis of the Texas Department of Transportation, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources.

The bill would take effect September 1, 2005.

Local Government Impact

Implementation of the bill would result in an increase in administrative costs for tax assessor-collector offices. Costs that could be incurred would be for staff and/or computer programming to track and process forwarding collections to other counties every six months. Because the collecting tax assessor-collector would be required to forward all applicable revenue to the seller's county of residence, the collecting assessor-collector would incur all administrative costs, while the county of residence would receive the revenue, including that which is authorized by law to be retained. The fiscal impact would vary by county dependant on the number of out of county registrations that occur.

Source Agencies: 601 Department of Transportation

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