

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION
Revision 1

April 18, 2005

TO: Honorable Jim Keffer, Chair, House Committee on Ways & Means

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

IN RE: HB1292 by Hilderbran (Relating to the allocation and use of revenue from the sales tax imposed on sporting goods.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1292, As Introduced: a negative impact of (\$106,000,000) through the biennium ending August 31, 2007.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	(\$53,000,000)
2007	(\$53,000,000)
2008	(\$53,000,000)
2009	(\$53,000,000)
2010	(\$53,000,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/ (Loss) from <i>GENERAL REVENUE FUND 1</i>	Probable Revenue Gain/ (Loss) from <i>STATE PARKS ACCT 64</i>	Probable Revenue Gain/ (Loss) from <i>LOCAL PARKS ACCOUNT 467</i>
2006	(\$53,000,000)	\$43,000,000	\$10,000,000
2007	(\$53,000,000)	\$43,000,000	\$10,000,000
2008	(\$53,000,000)	\$43,000,000	\$10,000,000
2009	(\$53,000,000)	\$43,000,000	\$10,000,000
2010	(\$53,000,000)	\$43,000,000	\$10,000,000

Fiscal Analysis

The bill would amend Chapter 151 of the Tax Code to increase—to \$85 million from \$32 million—the maximum annual amount of sporting goods sales tax receipts credited to the Texas Parks and Wildlife Department (TPWD). Should the increased amount be appropriated, this would represent a transfer between state funds and not a net increase in state costs.

The bill would take effect September 1, 2005.

Methodology

Under current law, state sales taxes collected on sporting goods, up to \$32 million, are credited to TPWD. Revenue is deposited to GR Account 0064—the State Parks (up to \$15.5 million), GR

Account 0467—Texas Recreation and Parks (up to \$15.5 million), and GR Account 5004—Texas Parks and Wildlife Conservation and Capital (\$1 million).

The bill would fix the annual deposit to GR Account 0064 at \$58.5 million; and it would fix the annual deposit to GR Account 0467 at \$25.5 million. The deposit to GR Account 5004 would remain unaffected.

Note: As amended, the bill language in SECTION 1 would instruct the Comptroller to "not credit in excess of \$85 million in sporting goods revenue annually" to TPWD (emphasis added). However, in SECTION 2, the amounts appropriated to GR Account 0064 and GR Account 0467 would be changed to fixed amounts.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 802 Parks and Wildlife Department

LBB Staff: JOB, SD, WP, SM