

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 28, 2005

**TO:** Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

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

**IN RE: SB918** by Gallegos (Relating to a license fee exemption for certain certified public accountants.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB918, As Introduced: a negative impact of (\$360,000) through the biennium ending August 31, 2007.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	(\$180,000)
2007	(\$180,000)
2008	(\$180,000)
2009	(\$180,000)
2010	(\$180,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from GENERAL REVENUE FUND 1	Probable Revenue (Loss) from FOUNDATION SCHOOL FUND 193
2006	(\$135,000)	(\$45,000)
2007	(\$135,000)	(\$45,000)
2008	(\$135,000)	(\$45,000)
2009	(\$135,000)	(\$45,000)
2010	(\$135,000)	(\$45,000)

Fiscal Analysis

The bill would amend the Occupations Code relating to a license fee exemption from the \$200 professional fee for certain Certified Public Accountants (CPA) specified in the bill. The bill would reduce revenues collected from CPAs that are exempted from paying the fee. Under current law, \$50 of the \$200 professional fee is deposited to the Foundation School Fund Account No.193 and \$150 is deposited to General Revenue Fund.

The bill would take effect immediately upon receiving a two-thirds majority vote in each house. If the bill does not receive a two-thirds majority vote in each house, the bill would take effect September 1, 2005.

**Methodology**

The Board of Public Accountancy estimates that 900 local government Certified Public Accountants (CPA) would fall into the exempt category. Based on the number of applicants estimated by the agency, it is assumed that 900 CPAs would not pay the \$200 fee beginning in fiscal year 2006. The agency estimates a net revenue loss of \$180,000 each year for the fee that would no longer be collected, which would include a loss of \$45,000 to the Foundation School Fund Account No.193 and \$135,000 to the General Revenue Fund.

**Technology**

No technology impact is anticipated.

**Local Government Impact**

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

**Source Agencies:** 304 Comptroller of Public Accounts, 457 Board of Public Accountancy  
**LBB Staff:** JOB, JRO, MW, BC