

BILL ANALYSIS

H.B. 1008
By: Patrick
Local Government Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, Section 321.3022, Tax Code, requires the comptroller of public accounts to release sales tax data to a city with a population less than 275,000 regarding businesses that remit more than \$25,000 in local sales tax payments. As a result, eight cities in Texas with populations exceeding 275,000 do not receive this information, and therefore do not have a way to reconcile problems associated with reporting errors without vendor-specific sales tax data.

As proposed, H.B. 1008 removes this population bracket to allow all cities to receive sales tax data. This information may help resolve tax errors and may also be useful in assisting cities with their economic development efforts and the preparation of their annual budgets.

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

H.B. 1008 amends Section 321.3022(a), Tax Code, by deleting existing provision permitting only municipalities with a population less than 275,000 to request information from the comptroller of public accounts regarding the amount of monies paid for the previous or current year to a municipality through a municipal sales and use tax by that municipality's businesses who annually pay more than \$25,000 in state and local sales tax payments.

EFFECTIVE DATE

This Act takes effect upon passage or September 1, 2007.