

BILL ANALYSIS

H.B. 3417
By: Garcia
Local Government Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The original provisions creating crime control and prevention districts (district) only addressed counties, but subsequent legislation added certain municipalities. Current law requires a county or municipality that creates a district to adopt, subject to election, a sales tax to finance the operation of the district. However, provisions regarding the creation of such a sales tax, though applied to both counties and municipalities, only address counties. House Bill 3417 clarifies the manner in which a municipality that creates a district is authorized to assess a sales and use tax for financing the operation of the district.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Comptroller in SECTION 4 (Section 321.108, Tax Code) of this bill.

ANALYSIS

House Bill 3417 amends the Tax and Local Government codes to clarify the manner in which a municipality that creates a crime control and prevention district (district) is authorized to assess a sales and use tax in the area of the district for financing the operation of the district.

EFFECTIVE DATE

On passage, or if the Act does not receive the necessary vote, the Act takes effect, September 1, 2007.