

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**April 5, 2007**

**TO:** Honorable Steve Ogden, Chair, Senate Committee on Finance

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

**IN RE: HB373** by Hochberg (Relating to the imposition of the sales and use tax on certain sales made by individuals.), **As Engrossed**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend Chapter 151 of the Tax Code, relating to the imposition of the sales and use tax on certain sales made by individuals.

The bill would expand the definition of "occasional sale" to include the sales of taxable items if the only sales made by an individual were sales of property that was originally bought for the individual's personal use; the individual was not required to have a sales tax permit; the individual did not employ an auctioneer, broker, or factor, other than an on-line auction, to sell the property; and the total receipts from these sales did not exceed \$3,000 in a calendar year.

Under current law, occasional sales of property by an individual are not subject to the sales tax. This bill would allow occasional sales of family items by an individual not holding a sales tax permit. An on-line auction could be used in this type of occasional sale.

**Local Government Impact**

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

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JOB, CT