

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

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

**May 16, 2007**

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

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

**IN RE: HB1084** by Smith, Todd (Relating to the application of the sales and use tax to the sale of certain food products sold at school events.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend Chapter 151 of the Tax Code to specify that food products are exempt from the sales tax if they are sold during an event sanctioned by a school district at a concession stand that is operated by a temporary or permanent school employee or a volunteer, if the proceeds from the sales benefit the district.

This bill would take effect September 1, 2007.

Under current law, food items sold at concession stands during school sanctioned events are exempt from the sales tax if they are sold by groups such as student organizations and parent-teacher associations. This bill would clarify that items sold at concession stands by school district employees or volunteers would be exempt when the sales are for the benefit of the school district.

**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