

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 20, 2007

TO: Honorable Jim Keffer, Chair, House Committee on Ways & Means

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

IN RE: HB1976 by Taylor (Relating to split payments of ad valorem taxes.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Section 31.03 of the Tax Code to allow a county with a population of 250,000 or more that borders both the Gulf of Mexico and a county with a population of 3.4 million or more to elect to limit the split payment option for payment of property taxes only to property taxes collected by the county on residence homesteads.

Current law requires that if the split payment option is adopted, it applies to all units for which the adopting unit collects taxes.

Because the state is constitutionally prohibited from imposing a state property tax, there would be no direct fiscal impact on the state.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2007.

Local Government Impact

Passage of the bill would impact only Galveston County and allow split payments only for homestead owners whose taxes are collected by the county.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, CT, SD, SJS