

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 11, 2007

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

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

IN RE: HB3319 by Keffer, Jim (Relating to updating and clarifying the state sales and use tax.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 151 of the Tax Code to make technical changes and clarifications to provisions relating to sales tax exemptions for drugs or medicines, seedlings for trees grown for commercial timber, and aircraft. The bill would also repeal Section 151.0232 of the Tax Code, relating to the Comptroller of Public Account's CPA Audit Program.

According to the Comptroller, the bill would clarify technical issues regarding the administration of certain sales tax exemptions and would have no fiscal impact.

The bill would take effect immediately upon enactment if it receives two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, CT, SD, EB