

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 25, 2007

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

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

IN RE: HB3488 by Kolkhorst (Relating to a study of the effect on this state's economy of replacing all state and school district ad valorem tax revenue with revenue from a transaction tax.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would require the Comptroller to conduct a study to determine the effect on this state's economy of imposing a transaction tax that taxes every transaction that occurs in this state and is electronically collected by financial institutions using banking data systems that are used in other economies for that purpose.

The bill states the Comptroller may not incur costs in excess of \$200,000 in conducting the study.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JOB, CT, SD