

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 26, 2009

TO: Honorable Rene Oliveira, Chair, House Committee on Ways & Means

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

IN RE: HB150 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 Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>

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, and if the proceeds from the sales benefit the district.

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.

The bill would take effect September 1, 2009.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, MN, SD, KK