

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

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 14, 2009**

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

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

**IN RE: HB236** by Rodriguez (Relating to the procedures to obtain an exemption from the motor vehicle sales tax for motor vehicles driven by persons who have orthopedic handicaps.),  
**Committee Report 1st House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend Chapter 152 of the Tax Code, regarding motor vehicle sales taxes.

The bill would establish procedures for obtaining an orthopedic handicapped exemption from the motor vehicle sales and use tax. The seller of a motor vehicle would be prohibited from collecting the tax if the purchaser, at the time of the sale, signs an exemption certificate provided by the Comptroller and provides any documentation or information the Comptroller required. The bill also contains provisions that would allow the seller to rely on the exemption certificate and not require them to investigate the propriety of the certificate. The seller would not be liable for the payment of motor vehicle sales taxes, that would otherwise be due, if a person used a falsified certificate to obtain the exemption. The bill does not change the exemption already in Statute, only the method of obtaining the exemption.

The bill would require the Comptroller to adopt any necessary rules to implement the changes in law, designate the form required, and make the form available to motor vehicle dealers and the public no later than December 1, 2009.

The bill would take effect September 1, 2009. The changes made in law by the bill would apply to the sale of a motor vehicle on or after January 1, 2010.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JOB, MN, SD, KK