

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

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

**April 29, 2009**

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

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

**IN RE: HB508** 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**

<b>No significant fiscal implication to the State is anticipated.</b>
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Under the provisions of the bill, the Comptroller would be required to conduct a study that would determine the effect on the Texas economy of imposing a transaction tax on every transaction that occurs in the state and that is electronically collected by financial institutions using banking data systems.

The study would be submitted to the Legislature no later than July 1, 2010, and would not cost in excess of \$200,000.

The bill would take effect immediately upon enactment, if it receives the required two-thirds vote. Otherwise, it would take effect September 1, 2009.

**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