

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 19, 2009

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

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

IN RE: HB2025 by Zerwas (Relating to the dedication of certain state sales and use tax revenue to the foundation school fund.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2025, As Introduced: an impact of \$0 through the biennium ending August 31, 2011.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from General Revenue Fund 1	Probable Revenue Gain from Foundation School Fund 193
2010	(\$106,172,000)	\$106,172,000
2011	(\$109,679,000)	\$109,679,000
2012	(\$113,172,000)	\$113,172,000
2013	(\$116,729,000)	\$116,729,000
2014	(\$120,480,000)	\$120,480,000

Fiscal Analysis

The bill would amend Section 151.801 of the Tax Code, regarding the allocation of sales tax revenue. The bill would require the Comptroller to determine the amount of state sales tax collected on specified school supplies and allocate that revenue to the Foundation School Fund.

The bill would take effect September 1, 2009.

Methodology

State sales tax collections from the sale of school supplies were estimated based on national data gathered from the U.S. Bureau of the Census. National sales were adjusted to reflect sales made in Texas, multiplied by the state sales tax rate, and extrapolated through fiscal 2014. These estimated amounts represent the loss to the General Revenue Fund and the gain to the Foundation School Fund.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 701 Central Education Agency

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