

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 3, 2009

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

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

IN RE: HB2061 by Gallego (Relating to the acceptance of electronic check and credit card payments for certain fees and taxes by a county tax assessor-collector.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code to require a county tax assessor-collector to accept a check or credit card invoice for the payment of various fees and taxes. Under current statute, accepting those forms of payment are optional to the assessor-collector.

The bill would change from requiring to making optional for the tax assessor-collector to set a fee collected for accepting a credit card invoice as payment method at a rate related to the expense incurred in processing not to exceed a certain percentage of the amount. The bill would change the maximum possible percentage from not to exceed 5 percent to not to exceed 3 percent.

The bill would require the tax assessor-collector to accept conditional payment of certain taxes and payments by electronic means and would remove authorization to impose a fee for making payments electronically.

The bill would take effect September 1, 2009.

Local Government Impact

The proposed changes would create a conflict with provisions of the Tax Code as it pertains to county tax assessor-collectors accepting payments for property taxes (which are also included in the taxes to which provisions of the bill would apply in the Local Government Code). Section 31.06(a), Tax Code, matches the current Section 130.002(a)(6), Local Government Code, regarding making it optional for a county tax assessor-collector to accept a check or credit card invoice for payment of property taxes rather than making it a requirement as proposed in the bill. Section 31.06(c), Tax Code, requires the tax assessor-collector to set a fee collected for accepting payment by credit card related to the expense incurred not to exceed 5 percent of the amount of the tax, statute that currently matches Section 130.0045(b), Local Government Code, statute that would be changed by provisions of the bill.

Based on the potential conflict of statute, the fiscal impact to counties is unknown related to acceptance of payments of property taxes. Regarding accepting payments of motor vehicle registration fees, motor vehicle sales taxes, occupation taxes, motor vehicle title transfer fees, and license or permit fees under the Alcoholic Beverage Code, fiscal impact would vary by county depending on whether under the current permissive statute the tax assessor-collector is set up as would be required by the bill.

Source Agencies:

LBB Staff: JOB, MN, SD, DB