

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

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

**April 22, 2009**

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

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

**IN RE: HB2226** by Parker (Relating to exemptions from the sales tax for certain solar and wind energy devices.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2226, As Introduced: a negative impact of (\$583,000) 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	(\$278,000)
2011	(\$305,000)
2012	(\$334,000)
2013	(\$367,000)
2014	(\$402,000)

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Revenue (Loss) from <i>General Revenue Fund</i> 1	Probable Revenue (Loss) from <i>Cities</i>	Probable Revenue (Loss) from <i>Transit Authorities</i>	Probable Revenue (Loss) from <i>Counties</i>
2010	(\$278,000)	(\$52,000)	(\$18,000)	(\$7,000)
2011	(\$305,000)	(\$57,000)	(\$19,000)	(\$8,000)
2012	(\$334,000)	(\$62,000)	(\$21,000)	(\$9,000)
2013	(\$367,000)	(\$68,000)	(\$23,000)	(\$10,000)
2014	(\$402,000)	(\$75,000)	(\$25,000)	(\$11,000)

**Fiscal Analysis**

The bill would amend Chapter 151 of the Tax Code relating to exemptions from the sales tax for certain solar and wind energy devices.

The bill would exempt the sale of solar energy or wind energy devices for noncommercial home or personal use from the sales tax if the sales take place during a period beginning on the Saturday preceding the last Monday in May and ending on the last Monday in May.

The bill would take effect September 1, 2009.

## **Methodology**

Sales of solar energy and wind energy devices were estimated based on data gathered from several sources, including the Energy Information Administration. Sales were adjusted to reflect Texas sales; adjusted for the appropriate time period; multiplied by the state sales tax rate; and extrapolated through 2014.

## **Local Government Impact**

There would be a proportional loss of sales tax revenue to units of local government.

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

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