

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 5, 2009

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

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

IN RE: HB3144 by Gonzalez Toureilles (Relating to an exemption from the sales and use tax for parts for certain machinery and equipment used in agricultural operations.), **As Introduced**

No fiscal implication to the State is anticipated.

This bill would amend Chapter 151 of the Tax Code, regarding the sales tax.

The bill would expand the list of agricultural items that are exempt from the sales tax to include tangible personal property, including a tire, sold or used as a component part of a motor vehicle or other equipment exclusively used on a farm or ranch in the building or maintaining of roads or water facilities, or in the production of food for human consumption, grass, animal feed or other agricultural products.

The bill would codify current Comptroller policy regarding agricultural motor vehicles and equipment, therefore the proposed change would have no fiscal impact.

This bill 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, KK