

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

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

**May 3, 2009**

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

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

**IN RE: HB4030** by McCall (Relating to a tax credit for donations of certain art to art museums in this state that are open to the public.), **As Introduced**

**Depending upon the value of qualifying donations that would be made under the bill or when such donations might be made, there would be an indeterminate revenue loss to the state.**

The bill would amend Chapter 171 of the Tax Code to create a franchise tax credit for taxable entities that donate works of art to a public art museum in this state.

To qualify for the credit, the taxable entity would have to have owned the work of art for at least five years, and the museum receiving the work of art would have to intend to include the work in its permanent collection.

The credit would be equal to the appraised value of each work of art donated during the privilege period, limited to the amount of tax due for the privilege period. The credit could only be used for the period in which the donations were made and could not be conveyed or transferred to another entity.

The bill would require the Comptroller to adopt rules necessary to implement the credit.

The bill would take effect on January 1, 2010, and it would apply only to tax reports originally due on or after that date.

Depending upon the value of qualifying donations that would be made under the bill or when such donations might be made, there would be an indeterminate fiscal impact.

**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, SM