

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

March 21, 2009

TO: Honorable Rodney Ellis, Chair, Senate Committee on Government Organization

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

IN RE: SB1008 by Estes (Relating to the abolition of the Board of Tax Professional Examiners and the transfer of its functions to the Texas Department of Licensing and Regulation.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would abolish the Board of Tax Professional Examiners and transfer obligations, property, full-time equivalent positions, rights, powers, and duties of the Board to the Texas Department of Licensing and Regulation (TDLR). The bill would create the Texas Tax Professional Advisory Committee, with five members appointed by the Commission of Licensing and Regulation, to advise TDLR on tax professional regulatory issues.

The bill would eliminate licensing and administrative fee caps and would authorize TDLR to set fees in amounts necessary to cover the costs of the Department's tax professional regulatory program. The bill would eliminate the 30-day grace period for registration renewal and would require TDLR to create late renewal fees based on standard renewal fees.

The bill would authorize the Comptroller of Public Accounts to provide TDLR information on tax professional educational needs and assistance in prosecuting violations.

This analysis assumes that appropriations for the Board of Tax Professional Examiners and the 3.7 FTEs will be transferred to TDLR. This analysis also assumes the continuation of existing fee rates. The Sunset Advisory Committee estimates that TDLR would be able to provide more efficient and comprehensive services to registrants and the public with the same amount of resources as the Board.

Since TDLR is statutorily required to generate revenues sufficient to cover its costs of operation, this analysis assumes that the agency would adjust fees as necessary to cover any additional costs associated with the implementation of the bill. The Comptroller of Public Accounts, the Sunset Advisory Committee, TDLR and the Board of Tax Professional Examiners anticipate any additional work resulting from the passage of the bill could be reasonably absorbed within current resources.

Local Government Impact

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

Source Agencies: 116 Sunset Advisory Commission, 304 Comptroller of Public Accounts, 337 Board of Tax Professional Examiners, 452 Department of Licensing and Regulation

LBB Staff: JOB, KK, MW, ES