

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

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**March 1, 2011**

**TO:** Honorable Joseph Pickett, Chair, House Committee on Defense & Veterans' Affairs

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

**IN RE: HB205** by Pickett (Relating to the imposition by certain municipalities and municipal transit departments of the local sales and use tax in certain federal military installations.), **As Introduced**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend Chapter 321 (municipal sales and use tax) and Chapter 322 (sales and use taxes for special purpose taxing authorities) of the Tax Code.

With respect to a municipality with a population greater than 500,000 that borders the United Mexican States (El Paso), the bill would define the territory within which municipal and municipal transit department sales and use taxes apply to include the area within the boundaries of a federal military installation that is located within the municipality's extraterritorial jurisdiction. The bill would not affect the state sales and use tax.

**Local Government Impact**

The effect on revenue collections for the area defined by this bill, the city of El Paso, cannot be determined.

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

**LBB Staff:** JOB, KM, SD, KK