

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

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

**May 2, 2011**

**TO:** Honorable Harvey Hilderbran, Chair, House Committee on Ways & Means

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

**IN RE: HB3435** by Raymond (Relating to honesty in state taxation.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would add Chapter 102, entitled "Honesty in State Taxation", to the Tax Code. The bill would define a "regulatory tax" as a fee, levy, surcharge, assessment, penalty, or other charge of any kind imposed by this state for a primary purpose other than to raise revenue for general purposes.

The Texas Legislature and Texas Legislative Council would be directed to not identify a state tax, including a state regulatory tax, as another type of state charge such as a "fee," "surcharge," "assessment," or "penalty" in any new statute or resolution. They would also be directed to change a reference to a state charge that is not correctly identified as a state tax in the course of otherwise amending the state law containing the reference.

The bill would take effect September 1, 2011.

**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

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