

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

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 29, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1511** by Larson (Relating to sales and use taxes imposed by municipalities.), **As Introduced**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend various sections of the Tax Code and the Local Government code regarding the sales and use tax rate imposed by political subdivisions in the state.

The bill would have no effect on state sales and use tax revenue; however, since the Comptroller of Public Accounts is responsible for collection and disbursement of local sales and use tax, an estimated cost of \$400,000 in fiscal year 2014 would be needed for reprogramming IT systems.

The bill would take effect September 1, 2013.

**Local Government Impact**

The bill would allow units of local government to set their sales tax rates at any rate desired-not just the usual one-eighth, one-quarter, or one-half percent-as long as the two percent overall cap is not broken.

**Source Agencies:**

**LBB Staff:** UP, KK, SD