

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 30, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3437** by Otto (relating to the procedure for obtaining an allocation for ad valorem tax purposes of the value of certain property that is used in this state and outside this state.),
Committee Report 1st House, Substituted

<p>No fiscal implication to the State is anticipated.</p>
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This bill would amend Chapter 21 of the Tax Code, regarding taxable situs, to require a property taxpayer to annually apply for an allocation to this state of property used both inside and outside this state. The bill would specify the application procedures, and deadline. The Comptroller would be required to prescribe the contents of a combined rendition and allocation application form. The chief appraiser, after an investigation, would be permitted to cancel an allocation if the property is not entitled to the allocation. The taxpayer would be permitted to protest the cancellation of an allocation. The bill would provide for a penalty (among other procedures) for a late allocation application.

The bill would require an application for interstate allocation of property tax value but would not change the conditions or formulas for allocation in current law. The bill would not affect taxable property values, tax rates, collection rates, or any other variable which might affect the revenues of units of local governments or the state.

This bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2013.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SJS