

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 14, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HJR114 by Dutton (Proposing a constitutional amendment requiring the periodic review of state and local tax preferences and the expiration of certain tax preferences if not reauthorized by law.), **As Introduced**

No significant fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$108,921.

The resolution would propose an amendment to Article VIII of the Texas Constitution to add new Section 27.

Section 27 would direct the Legislature by general law to periodically review state and local tax preferences; to define the term "tax preference" for the purposes of this section; and to prescribe methods, timing and administrative procedures for implementing those provisions. The amendment also would stipulate that a tax preference that takes effect on or after September 1, 2014 would expire six years after the tax preference takes effect, although the Legislature may provide for an earlier or later expiration date, unless the Legislature reauthorized the preference.

The proposed amendment would be submitted to voters at an election to be held November 5, 2013, and would take effect on January 1, 2014.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD