

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

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 20, 2015**

**TO:** Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

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

**IN RE: HB103** by Guillen (Relating to the authority of certain volunteer firefighter and emergency services organizations to hold tax-free sales or auctions.), **As Introduced**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend Chapter 151 of the Tax Code, relating to the sales and use tax and the authority of certain volunteer firefighter and emergency services organizations to hold tax-free sales or auctions.

The bill would restore and amend expired Subsection (c-1) of Section 151.310 to allow organizations exempt under Section 151.310(a)(4) to hold 10 tax-free sales or auctions during a calendar year, each not to continue for more than 72 hours. Items purchased tax-free under this subsection would not be subject to use tax under Subchapter D of this chapter until the item is resold or transferred. If a volunteer firefighter or emergency services organization jointly holds a tax-free sale or auction with one or more other exempt organizations, the sale or auction would count towards the 10 tax-free sales or auctions authorized.

Authority for the same number of tax-free sales by these volunteer firefighter and emergency services organizations was previously provided by a Subsection (c-1) of Section 151.310, which expired September 1, 2014. This bill would provide permanent authority for these tax-free sales, and add the stipulation that jointly held sales count toward an organization's annual limit under this Subsection.

Comptroller tax files indicate only negligible taxable sales by volunteer fire and volunteer fire/EMS organizations. Exemption of a fraction of such sales would have no significant revenue implications for the state.

The bill would take effect immediately upon enactment, assuming it receives the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2015.

**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