

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 13, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB2112** by Spitzer (Relating to the valuation used to compute the sales and use tax imposed on the sale of certain motor vehicles.), **As Introduced**

There could be an indeterminate change in motor vehicle sales tax collections depending on the number of sales where the purchase price is established under the provisions of the bill.

The bill would amend Chapter 152 of the Tax Code, regarding motor vehicle taxes, relating to the valuation used to compute the sales and use tax imposed on the sale of certain motor vehicles.

The bill would amend Section 152.0412(d) to direct a county tax assessor-collector, when computing the taxes imposed under this chapter on vehicles purchased for less than 80 percent of their standard presumptive value based on one of two forms of documentation, to also accept as a form of documentation a notarized affidavit containing the purchase price of the vehicle and both the seller's and buyer's signatures.

The bill provides a third option for a motor vehicle purchaser to establish the taxable value of the vehicle. The number of people who might use this method in addition to the other methods currently available is unknown, and the fiscal impacts cannot be determined.

The bill 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