

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

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

**March 23, 2015**

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

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

**IN RE: HB2199** by Parker (Relating to the amount of a sales and use tax refund for tangible personal property used to provide cable television service, Internet access service, or telecommunications services.), **As Introduced**

<b>Estimated Two-year Net Impact to General Revenue Related Funds</b> for HB2199, As Introduced: a negative impact of (\$200,000,000) through the biennium ending August 31, 2017.
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**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2016	(\$100,000,000)
2017	(\$100,000,000)
2018	(\$100,000,000)
2019	(\$100,000,000)
2020	(\$100,000,000)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue (Loss) from General Revenue Fund</b>
	1
2016	(\$100,000,000)
2017	(\$100,000,000)
2018	(\$100,000,000)
2019	(\$100,000,000)
2020	(\$100,000,000)

**Fiscal Analysis**

The bill would amend Section 151.3186 of the Tax Code, to provide that the annual limit on refunds of state sales and use tax to providers of cable television service, Internet access service, or telecommunications under that section is \$150 million. The limit in current law is \$50 million.

The bill would take effect September 1, 2015.

## **Methodology**

Requests for refunds based on four months of activity in calendar year 2013 were in excess of the current \$50 million annual limit. Consequently, it is expected that requests for refunds based on full years of activity will exceed the proposed \$150 million limit, and the amount of refunds paid each year under the section will be \$150 million.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

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