

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 20, 2015

TO: Honorable Wayne Smith, Chair, House Committee on Licensing & Administrative Procedures

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3039** by Darby (Relating to requiring certain metal building, roof, and component retailers to register with the comptroller; imposing a civil penalty; authorizing a fee.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would define a "metal building, roof, and component retailer" as a person that sells, alters, or fabricates metal buildings, roofs or components used for construction of metal buildings for agricultural purposes. The bill would require the retailer to register annually with the Comptroller of Public Accounts. The Comptroller would be authorized to charge a fee to cover the cost of the registration. The bill would subject a person who fails to register to a civil penalty in an amount not to exceed \$500. The bill would require the Comptroller to study the compliance during calendar year 2016 of metal building, roof, and component retailers who make taxable sales of those buildings, roofs, and components with the requirements of Chapter 151, Tax Code, including the requirements to obtain sales tax permits and collect sales and use taxes under that chapter. As part of the study, the bill would require the Comptroller to conduct random audits of registered retailers who do not have a sales tax permit. A report of the findings and recommendations would be due to the Eighty-fifth Legislature not later than January 31, 2017. The bill would take effect January 1, 2016.

Based on the analysis of the Comptroller, the amount of the annual registration fee that may be charged and the extent of revenues from penalties that may be assessed for failure to register are unknown. Costs to implement the provisions of the bill could be absorbed within existing resources.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, CL, EP, LCO, KVe