

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 8, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3229** by Cyrier (relating to the motor vehicle sales tax imposed on the purchase, rental, or use of certain emergency services vehicles.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3229, Committee Report 1st House, Substituted: a negative impact of (\$312,000) through the biennium ending August 31, 2017.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	(\$156,000)
2017	(\$156,000)
2018	(\$156,000)
2019	(\$156,000)
2020	(\$156,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue (Loss) from <i>General Revenue Fund</i> 1
2016	(\$156,000)
2017	(\$156,000)
2018	(\$156,000)
2019	(\$156,000)
2020	(\$156,000)

Fiscal Analysis

The bill would amend Section 152.087 of the Tax Code to exempt ambulances, and emergency services chief or supervisor vehicles, from the motor vehicle sales and use tax when purchased by an entity that has an agreement with a local governmental entity to provide emergency ambulance services.

The bill would take effect September 1, 2015.

Methodology

Based on Texas motor vehicle title transaction records, there are \$2.5 million in annual taxable purchases of vehicles that would be exempted by this bill. The average annual tax revenue for those sales would be \$156,000.

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