

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

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

**April 15, 2015**

**TO:** Honorable Jane Nelson, Chair, Senate Committee on Finance

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

**IN RE:** SB1125 by Taylor, Van (relating to the application of the motor vehicle sales tax to the sale of a new motor vehicle to certain manufacturers or distributors.), **Committee Report 1st House, Substituted**

**There could be an indeterminate change in motor vehicle sales tax collections depending on the number of vehicles sold to a manufacturer or distributor.**

The bill would amend Chapter 152 of the Tax Code, regarding taxes on motor vehicles.

The bill would amend Section 152.001 to exclude the sale of a new motor vehicle to a person who is a manufacturer or distributor as defined by Section 2301.002, Occupations Code, from the definition of a "retail sale."

This bill would take effect September 1, 2015.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

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

**LBB Staff:** UP, KK