

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

March 1, 2015

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SJR35 by Bettencourt (Proposing a constitutional amendment authorizing the legislature to exempt from ad valorem taxation by one or more political subdivisions tangible personal property used by the owner of the property to manufacture, process, or fabricate tangible personal property for ultimate sale.), **As Introduced**

The resolution alone would have no fiscal implication to the State other than the cost of publication. Any additional fiscal implication would be attributable to the corresponding enabling legislation, Senate Bill 758.

The cost to the State for publication of the resolution is \$118,681.

The resolution would propose an amendment to Article VIII of the Texas Constitution, to add new Section 1-t to permit the Legislature to exempt from property taxation the tangible personal property used by the owner of the property to manufacture, process, or fabricate tangible personal property for ultimate sale. The Legislature would be permitted to provide eligibility requirements for the exemption.

The amendment, in and of itself, would not create a cost to local taxing units or the state. Any cost would be attributable to the implementing legislation (SB 758) and is shown on the fiscal note for that bill.

The cost to the State for publication of the resolution is \$118,681.

The proposed amendment would be submitted to voters at an election to be held November 3, 2015.

Local Government Impact

The proposed constitutional amendment alone would have no fiscal implication to units of local government. Any fiscal implication would be attributable to the corresponding enabling legislation, Senate Bill 758.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD, SJS