

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 27, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2281 by Darby (Relating to miscellaneous gross receipts taxes on utility companies.),
As Introduced

<p>No fiscal implication to the State is anticipated.</p>
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The bill would amend Subsections 182.021(1), 182.022(a), and 182.025(e)(3) of the Tax Code, regarding the application of the miscellaneous gross receipts tax on utility companies.

The bill would, in the amended subsections, remove references to a utility company's physical location and place of sales to clarify the tax responsibility of utility companies. The bill would clarify existing law that the miscellaneous gross receipts tax is due by utility companies doing business in incorporated cities or towns with a population more than 1,000 regardless of their physical location. The bill would have no revenue implications.

The bill would take effect immediately upon enactment, assuming it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2017.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, CL, SD