

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

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 15, 2017**

**TO:** Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

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

**IN RE:** SB559 by Hancock (Relating to the application of the miscellaneous gross receipts tax on utility companies.), **Committee Report 1st House, Substituted**

**No fiscal implication to the State is anticipated.**

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 that make sales to an ultimate consumer located in an incorporated city or town with a population of more than 1,000 regardless of their physical location.

The bill 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, CL, SD, KK