

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 3, 2019

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

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB2684 by Metcalf (Relating to an exemption from the sales tax for items sold by a nonprofit organization at a county fair.), **As Engrossed**

<p>No significant fiscal implication to the State is anticipated.</p>

The bill would amend Chapter 151 of the Tax Code by adding Section 151.3102 regarding the sale of taxable items by certain nonprofit organizations. The bill would exempt the sale of taxable items sold by a charitable organization from the sales and use tax, provided that the sale takes place at a county fair and the purchaser is a person attending or participating in the county fair.

Comptroller tax files indicate only negligible taxable sales by county fair associations. Exemption of such sales would have no significant revenue implications for the state.

The bill would take effect September 1, 2019.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: WP, KK, SD