

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 15, 2019

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

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

IN RE: HB3225 by Springer (Relating to the penalty for failing to file or failing to timely file a Dealer's Motor Vehicle Inventory Tax Statement.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Tax Code relating to the penalty for failing to file or failing to timely file a Dealer's Motor Vehicle Inventory Tax Statement.

The bill would amend Section 23.122 of the Tax Code, to stipulate a dealer who is found to be in violation of this Section may be subject to a penalty of \$100 per month or partial month in which a statement is not filed or not timely filed. The provisions of the bill would only apply to a violation that occurs on or after the effective date of the bill.

Under current law, a dealer would forfeit a penalty of \$500 per month or part of a month for a violation of Section 23.122(n) of the Tax Code. The bill would reduce that to \$100 and make the imposition of the penalty permissive.

The bill would have no fiscal impact on the state and no significant impact on units of local government.

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, SJS