

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 2, 2019

TO: Honorable Dustin Burrows, Chair, House Committee on Ways & Means

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

IN RE: HB4198 by Murphy (Relating to the exclusion from total revenue of certain payments made by a performing rights society for purposes of computing the franchise tax.), **As Introduced**

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

The bill would amend Section 171 of the Tax Code to exclude certain payments made by a performing rights society for purposes of computing its franchise tax liability.

The bill would allow a taxable entity that is a performing rights society that licenses the public performance of nondramatic musical works on behalf of a copyright owner to exclude from its total revenue those payments made to the public performance rights holder and copyright owner for whom the taxable entity licenses the public performance.

The bill would take effect January 1, 2020, and only apply to a report originally due on or after that date.

According to the Comptroller the bill is not expected to have a significant impact on state revenue.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: WP, KK