

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 2, 2019**

**TO:** Honorable Terry Canales, Chair, House Committee on Transportation

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

**IN RE: HB4362** by Nevárez (Relating to peer-to-peer vehicle sharing platforms, the collection, remittance, and administration of certain taxes on those platforms, and fees collected by those platforms.), **As Introduced**

<b>Estimated Two-year Net Impact to General Revenue Related Funds</b> for HB4362, As Introduced: a positive impact of \$757,000 through the biennium ending August 31, 2021.
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**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2020	\$376,000
2021	\$381,000
2022	\$387,000
2023	\$393,000
2024	\$399,000

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue Gain from General Revenue Fund</b> <b>1</b>
2020	\$376,000
2021	\$381,000
2022	\$387,000
2023	\$393,000
2024	\$399,000

**Fiscal Analysis**

The bill would add new Chapter 113 to the Business and Commerce Code, regarding peer-to-peer vehicle sharing platforms. The bill would require certain disclosures to be made by peer-to-peer vehicle sharing platforms regarding the daily rate, fees, and other costs shared to the shared vehicle owner or driver. The bill would stipulate certain duties of platform and vehicle owners, require insurance for shared vehicles that meet certain minimums, and outline liabilities assumed

by a shared vehicle owner.

The bill would amend Section 152.045 of the Tax Code stipulating motor vehicle rental tax is due on transactions involved in peer-to-peer vehicle sharing. The owner of a shared vehicle would be responsible for collecting and remitting the tax unless the vehicle was shared through a peer-to-peer vehicle sharing platform, in which case the platform would collect, report, and pay the tax.

The bill would take effect September 1, 2019.

### **Methodology**

Peer-to-peer marketplace vehicle rental providers would be subject to the provisions of the bill and be required to remit motor vehicle rental tax. The estimated fiscal impact is based on information from Comptroller records, corporate filings, and publicly available information.

### **Local Government Impact**

According to the Texas Association of Counties, no significant fiscal implication to counties is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 608 Department of Motor Vehicles

**LBB Staff:** WP, JGAn, SD, KK, AF