

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 23, 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: HJR16 by Raymond (Proposing a constitutional amendment providing honesty in state taxation.), **As Introduced**

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$177,289.

The joint resolution proposes to amend Article VIII, Texas Constitution by adding Section 2-a to define a "regulatory tax" as a fee, levy, surcharge, assessment, fine, penalty, or other charge of any kind imposed by this state.

After November 5, 2019, enactment or amendment of a general law that imposes a state tax, including a regulatory tax, would be prohibited if the enacted or amended provisions identify the tax as another type of charge, such as a fee, levy, surcharge, assessment, fine, or penalty.

Not later than January 1, 2022, the legislature would be required to revise every reference in state statute to a fee, levy, surcharge, assessment, fine, penalty, or other charge of any kind imposed by this state for a primary purpose other than to raise revenue for general purposes to refer to the charge as a regulatory tax. On or after January 1, 2022, a regulatory tax identified in statute as another type of charge would be void and collection prohibited.

The proposed constitutional amendment would be submitted to the voters at an election to be held November 5, 2019.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: WP, KK