

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 10, 2019

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

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

IN RE: SB941 by Johnson (Relating to the expiration of the municipal sales and use tax for street maintenance in certain municipalities.), **As Introduced**

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| <p>No fiscal implication to the State is anticipated.</p> |
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The bill would amend Chapter 327 of the Tax Code, regarding the municipal sales and use tax for street maintenance.

The bill would amend Section 327.007 (a) by adding Subsection (2-b) to change the expiration date of the sales and use tax authorized under this chapter, for a municipality with a population of less than 50,000 that includes a portion of an international airport and is located in only two counties, one of which has population of 2.2 million or more and is adjacent to a county with a population of more than 600,000. The tax would be authorized to expire on the last day of the first calendar quarter falling after the tenth anniversary, rather than the fourth anniversary, of the date it was last reauthorized by voters.

The bill would take effect immediately upon enactment, assuming it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2019.

The bill would have no state revenue implications.

Local Government Impact

Based on the 2010 Decennial Census, the bill's provisions would affect the city of Coppell. The bill would extend the period of time for continuance of the tax without the necessity of a reauthorization election, but otherwise would have no fiscal implications for the city.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: WP, KK