

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

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

**April 12, 2019**

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

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

**IN RE:** **SB1824** by Perry (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><b>No significant fiscal implication to the State is anticipated.</b></p>
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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