

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 19, 2021

TO: Honorable Morgan Meyer, Chair, House Committee on Ways & Means

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB1445** by Oliverson (relating to the applicability of the sales and use tax to medical or dental billing services.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 151 of the Tax Code, relating to sales and use taxation of insurance services.

Section 151.0039 would be amended to provide that a medical or dental billing service performed prior to the original submission of an insurance claim is not a taxable insurance service.

“Medical or dental billing service” would be defined as assigning codes for medical or dental claims, verifying medical or dental insurance eligibility, preparing medical or dental claim forms, and filing medical or dental claims.

The bill would codify current Comptroller policy and therefore would have no revenue impact to the state or units of local government.

The bill would take effect January 1, 2022.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, KK, SD