

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 19, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3702 by Paddie (Relating to prohibiting the enactment of a law that imposes a tax on certain transactions that either convey a security or involve specified derivative contracts.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 101 of the Tax Code to prohibit future taxes from being imposed on securities transactions by, or on the occupation of, Registered Securities Market Operators.

As the bill would prohibit taxes the state does not now impose, there would be no fiscal implications.

The bill would take effect on January 1, 2022, contingent on voter approval of the constitutional amendment to prohibit enactment of a law that imposes a tax on certain transactions that either convey a security or involve specified derivative contracts (HJR 140).

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