

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

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 6, 2021**

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3799** by Metcalf (Relating to the exemption from sales and use taxes for items sold by a nonprofit organization at a county fair.), **As Engrossed**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend Section 151.3102 of the Tax Code to limit the sales tax exemption for sales made by nonprofits at county fairs to events that are operated by a county fair association and on property owned by the county.

County fair association would be defined as a 501(c)(3) nonprofit organization that operates a county fair primarily for the exhibition of horticultural products, agricultural products, or livestock.

According to the Comptroller of Public Accounts, the bill clarifies existing statute and therefore would have only a negligible revenue impact to the state and units of local government.

The bill would take effect October 1, 2021.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JMc, KK, SD