

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 26, 2021

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

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 Introduced**

No significant fiscal implication to the State is anticipated.

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 fair association.

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