

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 22, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4072 by Meyer (relating to the location at which certain sales are consummated for purposes of local sales and use taxes.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend and repeal certain provisions of Sections 321.203 and 323.203 of the Tax Code and repeal Sections 3853.202(d) of the Special District Local Laws Code to provide that, for purposes of local sales and use taxes, all sales of taxable items are consummated at the location in Texas to which the item is shipped or delivered or where the purchaser takes possession.

The bill would not affect state sales and use tax law and therefore would have no fiscal impact on the state.

The bill would take effect January 1, 2023. The bill's changes in law would not affect tax liability accruing before January 1, 2023.

Local Government Impact

The bill would change the distribution of local sales and use tax allocated to local taxing jurisdictions.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, KK, SD