

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

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

**April 5, 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.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend and repeal certain provisions of the Tax Code and the Special District Local Laws Code concerning municipal and county sales and use tax sourcing.

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 October 1, 2021. The bill's changes in law would not affect tax liability accruing before October 1, 2021.

**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