

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: HJR140 by Paddie (Proposing a constitutional amendment prohibiting the enactment of a law that imposes a tax on certain transactions that either convey a security or involve specified derivative contracts.), **As Introduced**

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$178,333.

The resolution would propose an amendment to Article VIII of the Texas Constitution that prohibits future taxes from being imposed on securities transactions by, or on the occupation of, Registered Securities Market Operators.

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

The amendment would take effect on January 1, 2022, contingent on passage of House Bill 3702, and approval by voters at an election to be held November 3, 2021. Note: This would be the day after the next general election scheduled for November 2, 2021.

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