

BILL ANALYSIS

S.B. 288
By: Miles
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been noted that county assistance districts are an economic development tool that counties may utilize to adopt a sales and use tax. Concerns have been raised regarding the inclusion of certain areas in the territory of such a proposed district for purposes of determining the combined tax rate of all local sales and use taxes. S.B. 288 seeks to address this issue by providing for the exclusion of these areas from the territory of such a district for these purposes.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 288 amends the Local Government Code to exclude rights-of-way and any county-owned property that is being used for a public purpose and in which no person has a place of business to which a sales tax permit has been issued from consideration as county assistance district territory for purposes of determining the combined tax rate of all local sales and use taxes as that rate relates to an election to create a county assistance district and the authority of such a district to impose a sales and use tax. The bill makes a sales and use tax adopted by a county assistance district inapplicable to such an excluded area if the combined rate of all local sales and use taxes imposed in the area would exceed the maximum combined rate prescribed under the Municipal Sales and Use Tax Act and the County Sales and Use Tax Act.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.