

- SUBJECT:** Reauthorization term for municipal sales tax for street maintenance
- COMMITTEE:** Ways and Means — committee substitute recommended
- VOTE:** 9 ayes — Hilderbran, Otto, Christian, Elkins, Gonzalez, Lyne, Murphy, Villarreal, Woolley
- 0 nays
- 2 absent — Martinez Fischer, Ritter
- WITNESSES:** For — Bob Lowry, City of Arlington; (*Registered, but did not testify:* Monty Wynn, Texas Municipal League)
- Against — None
- BACKGROUND:** Under Tax Code, ch. 327, a municipality may adopt a sales and use tax for street maintenance at a rate of one-eighth of one percent or one-fourth of one percent. The tax requires voter approval every four years to continue. Revenue from the tax may be used only to maintain and repair municipal streets that existed on the date of the election to adopt the tax.
- DIGEST:** CSHB 3036 would amend Tax Code, sec. 327.007 to allow reauthorization of a municipal sales and use tax for street maintenance for four years or 10 years.
- The bill would add to the permitted uses of the tax revenue a sidewalk that existed on the date of the election to adopt the tax that was adjacent to a street that was being repaired or maintained using revenue from the sales and use tax.
- The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2011.