BILL ANALYSIS

Senate Research Center

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H.B. 1285

By: Brimer (Moncrief)

Intergovernmental Relations

4/26/2001

Engrossed

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DIGEST AND PURPOSE

Under current law, the comptroller of public accounts (comptroller) can only provide sales tax information on businesses that remit payments of $100,000 or more to certain cities based on population. Cities are in need of sales tax information in the aggregate for a defined area to establish benchmarks to evaluate the effectiveness of certain economic development incentives as well as to apportion revenue under interlocal revenue sharing agreements. Such information may be useful to a municipality when establishing its budget or making other considerations. H.B. 1285 authorizes municipalities to request from the comptroller sales tax information for each person doing business in a defined area. The information can only be provided by the comptroller as an aggregate total for all persons doing business in the defined area without disclosing individual tax payments.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 321.3022, Tax Code, as follows:

> Sec. 321.3022. Requires the comptroller on request to provide to a municipality that has adopted a tax under this chapter certain information. Requires the comptroller to provide the information under this section as an aggregate total for all persons doing business in the defined area without disclosing individual tax payments. Requires the comptroller, under certain conditions, to refuse to provide the information to the municipality unless certain requirements are met. Authorizes information received by a municipality under this section to be used by the municipality to assist in determining revenue sharing under a revenue sharing agreement or other similar agreement. Makes conforming and nonsubstantive changes.

SECTION 2. Effective date: upon passage or September 1, 2001.