

BILL ANALYSIS

Senate Research Center
79S10194 KLA-D

S.B. 30
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Finance
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, Section 403.014 (Report on Effect of Certain Tax Provisions), Government Code, requires the comptroller of public accounts (comptroller) to produce a report to the governor and the legislature called "Tax Exemptions and Tax Incidence," which analyzes Texas's sales, franchise, motor vehicle sales, and gasoline taxes. Current school finance legislation proposes adopting tax policies that will affect the personal income of residents of and businesses in this state. S.B. 30 requires the comptroller to prepare a report similar to the one required by Section 403.014, Government Code, but specifically focusing on the major tax policies adopted this special session.

The report, to be submitted no later than October 15, 2006, and updated no later than October 15, 2008, will provide a comprehensive analysis of the effects of the policies proposed in this bill on personal income and business taxes.

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. SPECIAL REPORT ON EFFECTS OF CERTAIN TAX POLICIES ON PERSONAL INCOME AND BUSINESSES. (a) Requires the comptroller of public accounts (comptroller) to prepare a report that provides a comprehensive analysis of the effects of tax policies adopted during a special session of the 79th Legislature on the personal income of residents of this state and on businesses in this state. Requires the comptroller, not later than October 15, 2006, to submit the report to the governor, lieutenant governor, speaker of the house of representatives, and each other member of the legislature.

(b) Requires the report required under Subsection (a) of this section to include certain information with respect to business taxes enacted or significantly reformed by the 79th Legislature.

(c) Requires the report required under Subsection (a) of this section to also include at least, with respect to major legislation enacted by the 79th Legislature during a special session, a tax incidence analysis, categorized by industry sector and family income level, of the effects of certain taxes and, with respect to residents of this state who itemize deductions on their federal income tax returns, an analysis, categorized by income level, of certain information regarding taxation.

(d) Requires the comptroller, not later than October 15, 2008, to update the information contained in the report submitted under this section and submit the updated report to the persons listed in Subsection (a) of this section.

SECTION 2. EFFECTIVE DATE. Effective date: upon passage or the 91st day after adjournment.