

BILL ANALYSIS

Senate Research Center

S.B. 1511
By: Ogden
Infrastructure
4/26/1999
As Filed

DIGEST

Currently, certain local government entities may levy local taxes, including a county sales tax and a metropolitan transit authority (MTA) tax. However, state law prohibits local taxes from exceeding a total of 2 percent. Sometimes an MTA tax imposed within a small area of a county limits the amount of sales tax the county can levy. Therefore, a county, specifically Waller County, may not be able to raise enough revenue. S.B. 1511 would amend the Tax Code to authorize Waller County and similar counties to hold an election to raise their sales tax rate, regardless of the 2 percent ceiling.

PURPOSE

As proposed, S.B. 1511 authorizes Waller County and similar counties to hold an election to raise their sales tax rate, regardless of the 2 percent ceiling caused by the presence of a metropolitan transit authority

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 323.101(b) and (c), Tax Code, to provide that a county is qualified to adopt the tax only if no more than 80 percent of the county's total population, rather than no part of the county, is located in certain rapid transit authorities. Provides that an authority is not considered to be located in any county in which less than 20 percent of the population of the county consists of residents of the authority, rather than fewer than 250 persons, are both residents of the authority, rather than of the county.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.