

BILL ANALYSIS

Senate Research Center

S.B. 1020
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DIGEST AND PURPOSE

Currently, emergency services districts are authorized to adopt a sales and use tax in one-half of one percent increments, up to a maximum of two percent. The revenues from this sales and use tax are used for the provision of fire prevention or emergency medical services. However, the current increments limit a district's ability to utilize any available portion of the local two percent sales and use tax. As proposed, S.B. 1020 allows emergency services districts, through a local sales tax election, to adopt a sales tax in smaller increments of one-eighth of one percent, while retaining the current maximum of two percent.

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 775.0751(a), Health and Safety Code, to authorize an emergency services district to impose a sales and use tax at a rate in any increments of one-eighth of one percent to a maximum of two percent, rather than of one-half percent, one percent, one and one-half percent, or two percent.

SECTION 2. Effective date: upon passage or September 1, 2003.