

BILL ANALYSIS

Senate Research Center
76R6113 DAK-D

S.B. 1068
By: Fraser
Finance
4/8/1999
As Filed

DIGEST

Prior to 1993 in Texas, counties retained five percent of the motor vehicle sales tax collected each month. In order to shift funds on the state level, the 73rd Legislature required counties to send in all of the sales tax money and retain the equivalent of the five percent from motor vehicle registration. However, small counties do not collect enough registration money to recoup the revenue from the registration funds each month. As a result, these counties must wait a full calendar year to claim the commission and do not benefit from the immediate use of these funds. S.B. 1068 would authorize counties with a population of less than 10,000 to retain five percent of motor vehicle sales tax revenues collected.

PURPOSE

As proposed, S.B. 1068 regulates the disposition of revenue from the motor vehicle sales tax by certain counties.

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 Section 152.121, Tax Code, by amending the heading and adding Subsection (d), as follows:

Sec. 152.121. New heading: TAX SENT TO COMPTROLLER: COUNTIES WITH A POPULATION OF MORE THAN 10,000. Provides that Subsections (a) and (c) apply only to a county with a population of more than 10,000.

SECTION 2. Amends Chapter 152G, Tax Code, by adding Section 152.1211, as follows:

Sec. 152.1211. TAX SENT TO COMPTROLLER: COUNTIES WITH A POPULATION OF 10,000 OR LESS. Provides this section applies only to a county with a population of 10,000 or less. Requires the county tax assessor-collector to send 95 percent of the money collected from taxes and penalties imposed by this chapter to the comptroller and to retain five percent of the taxes and penalties collected under this chapter as fees of office or to be paid into the officers' salary fund of the county as provided by general law. Requires the state portion of the taxes collected under this chapter by a county tax assessor-collector to be sent to the comptroller on certain dates.

SECTION 3. Amends Section 502.102(b), Transportation Code, to require, each Monday, a county assessor-collector to credit to the county road and bridge fund an amount equal to the net collections made during the preceding week until the amount so credited for the calendar year for a county with a population of more than 10,000, an amount equal to five percent of the tax and penalties collected by the assessor-collector under Chapter 152, Tax Code in the preceding calendar year. Makes a conforming change.

SECTION 4. Amends Section 502.108(e), Transportation Code, to authorize registration fees that represent amounts of tax and penalties collected under Chapter 152, Tax Code, during the preceding year that are retained by a county with a population of more than 10,000 to be used for certain projects.

SECTION 5. Effective date: January 1, 2000.

SECTION 6. Emergency clause.