

## **BILL ANALYSIS**

H.B. 3045  
By: Dale  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties assert that certain economic development corporations should have more control over the local sales tax imposed for the corporation's benefit. H.B. 3045 seeks to authorize a Type B corporation to hold an election to reduce or increase that tax rate.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 3045 amends the Local Government Code to authorize an authorizing municipality that has imposed a sales and use tax for the benefit of a Type B corporation to reduce or increase the tax rate, in the same manner and by the same procedure as the municipality imposed the tax, by a majority of the voters of the municipality voting at an election held for that purpose. The bill requires the governing body of the authorizing municipality, on petition of 10 percent or more of the registered voters of the municipality requesting an election to reduce or increase the tax rate, to order an election on the issue. The bill authorizes the tax rate to be reduced or increased to any rate that is an increment of one-eighth of one percent, that the authorizing municipality determines is appropriate, and that would not result in a combined rate that exceeds the maximum combined rate.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.