

By: Blanco

S.B. No. 1208

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the hotel occupancy tax imposed by certain rural  
3 counties and by municipalities located in those counties and to the  
4 use of revenue from that tax.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended  
7 by adding Section 351.1037 to read as follows:

8 Sec. 351.1037. ALLOCATION OF REVENUE FOR INFRASTRUCTURE IN  
9 MUNICIPALITIES IN CERTAIN BORDER COUNTIES. (a) This section  
10 applies only to a municipality that is located within a county  
11 described by Section 352.115(b).

12 (b) Notwithstanding any other provision of this chapter,  
13 revenue from a tax imposed under this chapter by a municipality  
14 described by Subsection (a) may be used to plan, construct, and  
15 maintain:

16 (1) transportation and water infrastructure located  
17 in the municipality; and

18 (2) broadband infrastructure located in the  
19 municipality.

20 SECTION 2. Section 352.002, Tax Code, is amended by  
21 amending Subsection (u) and adding Subsection (ee) to read as  
22 follows:

23 (u) The commissioners court of a county that borders the Rio  
24 Grande River and has a population of less than 6,000 and an area of

1 more than 2,500 square miles may impose a tax as provided by  
2 Subsection (a). [~~A tax imposed under this subsection does not apply~~  
3 ~~to a hotel located in a municipality that imposes a tax under~~  
4 ~~Chapter 351 applicable to the hotel.~~]

5 (ee) The commissioners court of a county that contains land  
6 west of the Pecos River, that has a population of more than 1,000  
7 but less than 850,000, and that does not contain a national  
8 recreation area may impose a tax as provided by Subsection (a).

9 SECTION 3. Subchapter B, Chapter 352, Tax Code, is amended  
10 by adding Section 352.115 to read as follows:

11 Sec. 352.115. USE OF REVENUE IN CERTAIN COUNTIES WEST OF THE  
12 PECOS RIVER. (a) Notwithstanding any other provision of this  
13 chapter, the revenue from a tax imposed under this chapter by a  
14 county described by Subsection (b) may be used to plan, construct,  
15 and maintain:

16 (1) transportation and water infrastructure located  
17 in the county; and

18 (2) broadband infrastructure in the county.

19 (b) This section applies only to a county that:

20 (1) contains land west of the Pecos River;

21 (2) has a population of more than 1,000 but less than  
22 850,000; and

23 (3) does not contain a national recreation area.

24 SECTION 4. This Act takes effect immediately if it receives  
25 a vote of two-thirds of all the members elected to each house, as  
26 provided by Section 39, Article III, Texas Constitution. If this  
27 Act does not receive the vote necessary for immediate effect, this

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1 Act takes effect September 1, 2023.