

By: LaMantia

S.B. No. 2007

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the use of the revenue derived from the municipal hotel
3 occupancy tax by certain municipalities and to the rate at which
4 that tax is imposed by those municipalities.

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

6 SECTION 1. Section 351.001(7), Tax Code, is amended to read
7 as follows:

8 (7) "Eligible central municipality" means:

9 (A) a municipality with a population of more than
10 140,000 but less than 1.5 million that is located in a county with a
11 population of one million or more and that has adopted a capital
12 improvement plan for the construction or expansion of a convention
13 center facility;

14 (B) a municipality with a population of 250,000
15 or more that:

16 (i) is located wholly or partly on a barrier
17 island that borders the Gulf of Mexico;

18 (ii) is located in a county with a
19 population of 300,000 or more; and

20 (iii) has adopted a capital improvement
21 plan to expand an existing convention center facility;

22 (C) a municipality with a population of 116,000
23 or more that:

24 (i) is located in two counties both of which

1 have a population of 660,000 or more; and

2 (ii) has adopted a capital improvement plan
3 for the construction or expansion of a convention center facility;

4 (D) a municipality with a population of less than
5 50,000 that contains a general academic teaching institution that
6 is not a component institution of a university system, as those
7 terms are defined by Section 61.003, Education Code; [~~or~~]

8 (E) a municipality with a population of 640,000
9 or more that:

10 (i) is located on an international border;
11 and

12 (ii) has adopted a capital improvement plan
13 for the construction or expansion of a convention center facility;
14 or

15 (F) a municipality that has a population of at
16 least 70,000 but not more than 180,000 and that is located in a
17 county that borders the United Mexican States and the Gulf of
18 Mexico.

19 SECTION 2. Section 351.003, Tax Code, is amended by adding
20 Subsection (g) to read as follows:

21 (g) The rate in a municipality described by Section
22 351.001(7)(F) may not exceed nine percent of the price paid for a
23 room. The municipality shall allocate for the construction,
24 expansion, maintenance, financing, operation, or debt service of a
25 convention center or multiuse facility all revenue received by the
26 municipality that is derived from the application of the tax at a
27 rate of more than seven percent of the price paid for a room in a

1 hotel.

2 SECTION 3. Section 351.101, Tax Code, is amended by adding
3 Subsection (t) to read as follows:

4 (t) In addition to other authorized uses, a municipality
5 described by Section 351.001(7)(F) may use revenue from the
6 municipal hotel occupancy tax to pay costs associated with the
7 construction, expansion, maintenance, financing, operation, or
8 debt service of a convention center or multiuse facility.

9 SECTION 4. This Act takes effect September 1, 2023.