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S.B. No. 1592

A BILL TO BE ENTITLED

AN ACT

relating to the collection of state and local hotel occupancy taxes
and assessments related to hotels by an accommodations
intermediary.

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

SECTION 1. Subchapter B, Chapter 156, Tax Code, is amended
by adding Section 156.054 to read as follows:

Sec. 156.054. TAX COLLECTION BY ACCOMMODATIONS
INTERMEDIARY. (a) In this section:

(1) "Accommodations intermediary" means, subject to
Subsection (b), a person that:

(A) facilitates the rental of a room or space in a
hotel in this state to a person; and

(B) performs any of the following actions:

(i) collects from the person the amount
paid for the use or possession or for the right to the use or
possession of a room or space in the hotel; or

(ii) collects from either the person
renting the room or space in the hotel or the person owning,
operating, managing, or controlling the hotel a fee for the service
described by Paragraph (A).

(2) "Booking charge" means the amount paid by a person
for the use or possession or for the right to the use or possession
of a room or space in a hotel in this state and on which a hotel

1 occupancy tax is imposed. The term does not include the amount
2 charged by an accommodations intermediary for facilitating the
3 rental of the room or space in the hotel. The booking charge is
4 considered the price paid for a room or space in a hotel for
5 purposes of the imposition of a hotel occupancy tax when the rental
6 of the room or space is facilitated by an accommodations
7 intermediary.

8 (b) The term "accommodations intermediary" does not include
9 a person that facilitates the rental of a room or space in a hotel
10 solely on behalf of an affiliated person, including a franchisee,
11 operating under a shared hotel brand.

12 (c) For purposes of this section, a person facilitates the
13 rental of a room or space in a hotel in this state by providing a
14 physical or electronic medium through which a person other than the
15 owner or operator of the medium rents a room or space in the hotel.

16 (d) Notwithstanding Section [156.053](#) or any other law and
17 except as provided by this section:

18 (1) an accommodations intermediary:

19 (A) shall collect the appropriate amount of the
20 tax imposed under this chapter on each booking charge with respect
21 to a hotel located in this state;

22 (B) shall report and remit all taxes collected by
23 the accommodations intermediary under Paragraph (A) to the
24 comptroller in the manner required of a person owning, operating,
25 managing, or controlling a hotel under this chapter in accordance
26 with a schedule prescribed by the comptroller; and

27 (C) is considered to be the person owning,

operating, managing, or controlling the hotel for purposes of the collection and enforcement of the tax imposed under this chapter on a booking charge for a room or space in the hotel made through the accommodations intermediary; and

(2) the hotel may not collect and is not liable for a tax imposed by this chapter on a booking charge for a room or space in the hotel made through the accommodations intermediary.

(e) The comptroller shall adopt a form an accommodations intermediary must use to report the taxes collected by the accommodations intermediary under this section and, if applicable, Sections 351.0043 and 352.0042. The form must include information necessary for the comptroller to comply with the requirements of Sections 151.429(h), 351.1015, and 351.102 and Subchapter C, Chapter 351.

(f) The form described by Subsection (e) may not require the identification of a specific guest or the owner or operator of a hotel, except as necessary for the comptroller to comply with the requirements of Sections 151.429(h), 351.1015, and 351.102 and Subchapter C, Chapter 351.

(g) The comptroller shall make available to an accommodations intermediary:

(1) a map that demonstrates the boundaries of each area designated as a project financing zone under Section 351.1015;

(2) the name, address, and boundaries of each hotel project, qualified hotel project, and qualified hotel for which a municipality or owner is entitled to a rebate, refund, or payment of hotel occupancy taxes under Section 151.429(h) or 351.102 or

Subchapter C, Chapter 351, as well as any other information necessary to identify the location of the hotel project, qualified hotel project, or qualified hotel; and

(3) a list that:

(A) is maintained and continuously updated; and

(B) provides the rate of the hotel occupancy tax imposed by the state under this chapter and the rate of the hotel occupancy tax imposed by each municipality and other political subdivision that imposes a hotel occupancy tax.

(h) The comptroller shall deposit and pay to the appropriate municipality the hotel occupancy taxes remitted by an accommodations intermediary that are attributable to booking charges at a hotel located in a project financing zone or at a hotel that is a hotel project, qualified hotel project, or qualified hotel in accordance with Section 151.429(h), 351.1015, or 351.102 or Subchapter C, Chapter 351, and rules adopted by the comptroller under those provisions.

(i) This section does not apply to an accommodations intermediary that has entered into a written agreement with the comptroller to collect and remit the tax imposed under this chapter for the rental of a room or space in a hotel in this state facilitated by the intermediary during the period the agreement is in effect.

(j) Sections 111.0034, 111.0035, 111.0036, 111.006, and 111.025 apply to information provided or disclosed by an accommodations intermediary under this chapter.

(k) The comptroller may adopt rules to implement and

1 administer this section.

2 SECTION 2. Subchapter A, Chapter 351, Tax Code, is amended
3 by adding Section 351.0043 to read as follows:

4 Sec. 351.0043. TAX COLLECTION BY ACCOMMODATIONS
5 INTERMEDIARY. (a) In this section, "accommodations intermediary"
6 and "booking charge" have the meanings assigned by Section 156.054.

7 (b) Notwithstanding Section 351.004 or any other law and
8 except as provided by this section:

9 (1) an accommodations intermediary:

10 (A) shall collect the appropriate amount of the
11 tax imposed under this chapter by a municipality in which a hotel is
12 located on each booking charge with respect to that hotel;

13 (B) shall report and remit all taxes collected by
14 the accommodations intermediary under Paragraph (A) to the
15 comptroller in accordance with a schedule prescribed by the
16 comptroller; and

17 (C) is considered to be the person owning,
18 operating, managing, or controlling the hotel for purposes of the
19 collection and enforcement of the tax imposed under this chapter on
20 a booking charge for a room or space in the hotel made through the
21 accommodations intermediary; and

22 (2) the hotel may not collect and is not liable for a
23 tax imposed by this chapter on a booking charge for a room or space
24 in the hotel made through the accommodations intermediary.

25 (c) An accommodations intermediary shall use the form
26 adopted by the comptroller under Section 156.054(e) to report the
27 taxes collected by the intermediary under this chapter.

1 (d) Subject to Section 156.054(h), the comptroller shall:

2 (1) deposit the taxes remitted to the comptroller
3 under this section in trust in the separate suspense account of the
4 municipality in which hotels with respect to which the taxes were
5 collected are located; and

6 (2) send to the municipal treasurer or to the person
7 who performs the office of the municipal treasurer payable to the
8 municipality the municipality's share of the taxes remitted to the
9 comptroller under this chapter at least 12 times during each state
10 fiscal year.

11 (e) A suspense account described by Subsection (d)(1) is
12 outside the treasury and the comptroller may make a payment from the
13 account without the necessity of an appropriation.

14 (f) Before sending any money to a municipality under
15 Subsection (d), the comptroller shall deduct and deposit to the
16 credit of the general revenue fund an amount equal to one percent of
17 the amount of the taxes collected from booking charges for hotels
18 located in the municipality under this section during the period
19 for which a distribution is made as the state's charge for services
20 provided by the state under this section.

21 (g) An accommodations intermediary that collects the tax
22 imposed by this chapter is subject to audit by the comptroller only
23 in regard to the accommodations intermediary's collection,
24 reporting, and remittance of the tax imposed by this chapter. The
25 accommodations intermediary is entitled to seek review and to
26 appeal a determination made by the comptroller in relation to the
27 collection of a tax imposed by this chapter:

1 (1) as provided by Chapter 111; and

2 (2) in the same manner provided for a tax imposed under
3 Chapter 151.

4 (h) Notwithstanding any other law, this section applies to
5 the collection, remittance, and distribution of taxes imposed by a
6 political subdivision that is authorized to impose a hotel
7 occupancy tax under a provision of the Special District Local Laws
8 Code or civil statutes in the same manner the section applies to a
9 municipality authorized to impose a hotel occupancy tax under this
10 chapter.

11 (i) This section does not apply to an accommodations
12 intermediary that has entered into an agreement with a municipality
13 or other political subdivision to collect and remit hotel occupancy
14 taxes for the rental of a room or space in a hotel in the
15 municipality or political subdivision that is facilitated by the
16 intermediary and provided written notice of the agreement to the
17 comptroller during the period the agreement is in effect.

18 (j) A municipality that adopts an ordinance imposing a tax
19 under this chapter in a year after the date on which the report
20 required under Section 351.009 is due may not impose the tax before
21 the 60th day after the date the municipality provides notice of the
22 rate of the tax to the comptroller.

23 (k) A political subdivision to which this section applies
24 under Subsection (h) that is not required to file with the
25 comptroller a report under Section 351.009 or a report that
26 contains substantially the same information shall annually report
27 to the comptroller the rate of the hotel occupancy tax imposed by

1 the political subdivision in the manner and on a date prescribed by
2 the comptroller. A political subdivision that adopts an ordinance,
3 order, or resolution imposing a hotel occupancy tax in a year after
4 the date on which the political subdivision is required to report
5 the rate of its hotel occupancy tax to the comptroller may not
6 impose the tax before the 60th day after the date the political
7 subdivision provides notice of the rate of the tax to the
8 comptroller.

9 (l) Notwithstanding any other law, an accommodations
10 intermediary that collects the tax imposed by this chapter at the
11 rate provided by the comptroller on the most recent list made
12 available under Section 156.054(g) may not be held liable for using
13 an incorrect tax rate when collecting and remitting the tax.

14 (m) Sections [111.0034](#), [111.0035](#), [111.0036](#), [111.006](#), and
15 [111.025](#) apply to information provided or disclosed by an
16 accommodations intermediary under this chapter.

17 (n) The comptroller may adopt rules to implement and
18 administer this section.

19 SECTION 3. Subchapter [A](#), Chapter [352](#), Tax Code, is amended
20 by adding Section 352.0042 to read as follows:

21 Sec. 352.0042. TAX COLLECTION BY ACCOMMODATIONS
22 INTERMEDIARY. (a) In this section, "accommodations intermediary"
23 and "booking charge" have the meanings assigned by Section 156.054.

24 (b) Notwithstanding Section [352.004](#) or any other law and
25 except as provided by this section:

26 (1) an accommodations intermediary:

27 (A) shall collect the appropriate amount of the

1 tax imposed under this chapter by a municipality in which a hotel is
2 located on each booking charge with respect to that hotel;

3 (B) shall report and remit all taxes collected by
4 the accommodations intermediary under Paragraph (A) to the
5 comptroller in accordance with a schedule prescribed by the
6 comptroller; and

7 (C) is considered to be the person owning,
8 operating, managing, or controlling the hotel for purposes of the
9 collection and enforcement of the tax imposed under this chapter on
10 a booking charge for a room or space in the hotel made through the
11 accommodations intermediary; and

12 (2) the hotel may not collect and is not liable for a
13 tax imposed by this chapter on a booking charge for a room or space
14 in the hotel made through the accommodations intermediary.

15 (c) An accommodations intermediary shall use the form
16 adopted by the comptroller under Section 156.054(e) to report the
17 taxes collected by the intermediary under this chapter.

18 (d) Subject to Section 156.054(h), the comptroller shall:

19 (1) deposit the taxes remitted to the comptroller
20 under this section in trust in the separate suspense account of the
21 county in which hotels with respect to which the taxes were
22 collected are located; and

23 (2) send to the county treasurer payable to the county
24 the county's share of the taxes remitted to the comptroller under
25 this chapter at least 12 times during each state fiscal year.

26 (e) A suspense account described by Subsection (d)(1) is
27 outside the treasury and the comptroller may make a payment from the

1 account without the necessity of an appropriation.

2 (f) Before sending any money to a county under Subsection
3 (d), the comptroller shall deduct and deposit to the credit of the
4 general revenue fund an amount equal to one percent of the amount of
5 the taxes collected from booking charges for hotels located in the
6 county under this section during the period for which a
7 distribution is made as the state's charge for services provided by
8 the state under this section.

9 (g) An accommodations intermediary that collects the tax
10 imposed by this chapter is subject to audit by the comptroller only
11 in regard to the accommodations intermediary's collection,
12 reporting, and remittance of the tax imposed by this chapter. The
13 accommodations intermediary is entitled to seek review and to
14 appeal a determination made by the comptroller in relation to the
15 collection of a tax imposed by this chapter:

16 (1) as provided by Chapter [111](#); and

17 (2) in the same manner provided for a tax imposed under
18 Chapter [151](#).

19 (h) Notwithstanding any other law, this section applies to
20 the collection, remittance, and distribution of taxes imposed by a
21 political subdivision that is authorized to impose a hotel
22 occupancy tax under a provision of the Special District Local Laws
23 Code or civil statutes in the same manner the section applies to a
24 county authorized to impose a hotel occupancy tax under this
25 chapter.

26 (i) This section does not apply to an accommodations
27 intermediary that has entered into an agreement with a county or

other political subdivision to collect and remit hotel occupancy taxes for the rental of a room or space in a hotel in the county or political subdivision that is facilitated by the intermediary and provided written notice of the agreement to the comptroller during the period the agreement is in effect.

(j) A county that adopts an order or resolution imposing a tax under this chapter in a year after the date on which the report required under Section 352.009 is due may not impose the tax before the 60th day after the date the county provides notice of the rate of the tax to the comptroller.

(k) A political subdivision to which this section applies under Subsection (h) that is not required to file with the comptroller a report under Section 352.009 or a report that contains substantially the same information shall annually report to the comptroller the rate of the hotel occupancy tax imposed by the political subdivision in the manner and on a date prescribed by the comptroller. A political subdivision that adopts an ordinance, order, or resolution imposing a hotel occupancy tax in a year after the date on which the political subdivision is required to report the rate of its hotel occupancy tax to the comptroller may not impose the tax before the 60th day after the date the political subdivision provides notice of the rate of the tax to the comptroller.

(l) Notwithstanding any other law, an accommodations intermediary that collects the tax imposed by this chapter at the rate provided by the comptroller on the most recent list made available under Section 156.054(g) may not be held liable for using

1 an incorrect tax rate when collecting and remitting the tax.

2 (m) Sections 111.0034, 111.0035, 111.0036, 111.006, and
3 111.025 apply to information provided or disclosed by an
4 accommodations intermediary under this chapter.

5 (n) The comptroller may adopt rules to implement and
6 administer this section.

7 SECTION 4. Sections 334.253(a) and (b), Local Government
8 Code, are amended to read as follows:

9 (a) Sections 351.002(c), 351.004, 351.0041, 351.0043,
10 351.005, and 351.006, Tax Code, govern the imposition, computation,
11 administration, collection, and remittance of a municipal tax
12 authorized under this subchapter except as inconsistent with this
13 subchapter.

14 (b) Sections 352.002(c), 352.004, 352.0041, 352.0042,
15 352.005, and 352.007, Tax Code, govern the imposition, computation,
16 administration, collection, and remittance of a county tax
17 authorized under this subchapter except as inconsistent with this
18 subchapter.

19 SECTION 5. Subchapter A, Chapter 372, Local Government
20 Code, is amended by adding Section 372.0185 to read as follows:

21 Sec. 372.0185. COLLECTION OF ASSESSMENT BY ACCOMMODATIONS
22 INTERMEDIARY. (a) In this section, "accommodations intermediary"
23 has the meaning assigned by Section 156.054, Tax Code.

24 (b) This section applies only to a public improvement
25 district established by the governing body of a municipality or
26 county under this subchapter that levies against a hotel an
27 assessment that:

1 (1) is imposed on a percentage of the consideration
2 paid for occupancy of a sleeping room in the hotel; and

3 (2) is collected in the same manner and in accordance
4 with the same procedures as a hotel occupancy tax imposed by the
5 municipality or county that established the district.

6 (c) The governing body of a municipality or county that
7 establishes a public improvement district described by Subsection
8 (b) may require an accommodations intermediary to collect an
9 assessment levied against a hotel in the district if:

10 (1) a hotel in the district enters into an agreement
11 with an accommodations intermediary to have the assessment
12 collected by the accommodations intermediary;

13 (2) the hotel provides to the accommodations
14 intermediary the rate of the assessment to be collected as well as
15 any other information necessary for the accommodations
16 intermediary to collect the assessment; and

17 (3) the hotel agrees to remit the assessment to the
18 governing body of the municipality or county, as applicable, that
19 established the district.

20 (d) Notwithstanding any other law, if the governing body of
21 a municipality or county requires an accommodations intermediary to
22 collect an assessment under this section, the accommodations
23 intermediary may not be held liable for collecting the assessment
24 in an incorrect amount.

25 SECTION 6. (a) Not later than December 1, 2025, each
26 municipality, county, or other political subdivision that imposes a
27 hotel occupancy tax shall provide notice of the rate of that tax to

1 the comptroller of public accounts in the manner prescribed by the
2 comptroller.

3 (b) This section takes effect September 1, 2025.

4 SECTION 7. Except as otherwise provided by this Act, this
5 Act takes effect June 1, 2026.