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S.B. No. 1592

A BILL TO BE ENTITLED

AN ACT

relating to the collection of state, municipal, and county hotel occupancy taxes 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 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 a hotel; or

(ii) collects from either the person renting the room or space in the hotel or the owner, operator, manager or similar person of the hotel a fee for the service described by Section 156.054 (a)(1)(A).

(C) "Facilitate" means to provide a physical or electronic medium through which persons other than the owner or operator of the medium rents a room or space in a hotel.

(D) An "accommodations intermediary" does not

1 include a person or entity who facilitates the rental of a room or
2 space in a hotel solely on behalf of affiliated persons or entities,
3 including franchisees, operating under a shared hotel brand.

4 (2) "Booking charge" means the taxable amount a person
5 pays for the use or possession or for the right to the use or
6 possession of a room or space in a hotel in this state under this
7 chapter. The term does not include the cost of food served by the
8 hotel and the cost of personal services performed by the hotel for
9 the person except for those services related to cleaning and
10 readying the room for use or possession. The term does not include
11 the amount charged by an accommodations intermediary for
12 facilitating the rental of the room or space in the hotel. The
13 booking charge is considered the price paid for a room or space in a
14 hotel for purposes of the imposition of a hotel occupancy tax when
15 the rental of the room or space is facilitated by an accommodations
16 intermediary.

17 (b) Notwithstanding Section 156.053 or any other law,
18 beginning June 1, 2026:

19 (1) an accommodations intermediary:

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

23 (B) shall report and remit all taxes collected by
24 the accommodations intermediary under Section 156.054 (b)(1)(A) in
25 the manner required of a person owning, operating, managing, or
26 controlling a hotel under this chapter;

27 (C) shall report and remit all taxes collected by

1 the intermediary under Section 156.054 (b)(1)(A) to the comptroller
2 according to a schedule determined by the comptroller; and

3 (D) is considered to be the person owning,
4 operating, managing, or controlling the hotel for purposes of the
5 collection and enforcement of the tax imposed under this chapter on
6 a booking charge for a room or space in a hotel made through the
7 accommodations intermediary; and

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

11 (c) On or before April 1, 2026, the comptroller shall
12 promulgate a form or forms an accommodations intermediary must use
13 to report the taxes collected by the accommodations intermediary
14 under this section and Sections 351.0043 and 352.0042 and as
15 necessary to administer Sections [151.429\(h\)](#), [351.102](#), [351.156](#) and
16 [351.157](#).

17 (d) The forms described by Subsection (c) may not require
18 the identification of a specific guest or the owner or operator of a
19 hotel except for as necessary to administer the relevant provisions
20 of Sections [151.429\(h\)](#), [351.102](#), [351.156](#) and [351.157](#).

21 (e) On or before April 1, 2026, the comptroller shall make
22 available:

23 (1) a map that shows the boundaries of each project
24 financing zone authorized by Section [351.1015](#);

25 (2) the name, address and relevant location number of
26 each hotel project and qualified hotel project authorized by
27 Sections [151.429\(h\)](#), [351.102](#), [351.156](#) and [351.157](#), and any other

1 information necessary for the identification of a hotel project or
2 qualified hotel project; and

3 (3) the rate of the tax imposed under this chapter, and
4 the rate of tax imposed by each municipality or political
5 subdivision that imposes a tax on the rental of a room or space in a
6 hotel pursuant to Chapter 351, or Chapter 352.

7 (f) The taxes remitted to the comptroller under this section
8 derived from project financing zones, hotel projects and qualified
9 hotel projects shall be deposited by the comptroller and
10 distributed to the treasurer of the municipality or political
11 subdivision in accordance with the requirements set forth in
12 Sections 151.429(h), 351.1015, 351.102, 351.156, 351.157, and
13 rules issued by the comptroller.

14 (g) This section does not apply to an accommodations
15 intermediary that has entered into a written agreement with the
16 comptroller to collect and remit the tax imposed under this chapter
17 for the rental of a room or space in a hotel in this state
18 facilitated by the intermediary, so long as the agreement remains
19 in effect.

20 (h) Information disclosed by an accommodations intermediary
21 pursuant to this chapter shall be subject to the protections of
22 Chapter 111.

23 (i) The comptroller may adopt rules to implement and
24 administer this section.

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

27 Sec. 351.0043. TAX COLLECTION BY ACCOMMODATIONS

1 INTERMEDIARY. (a) In this section, "accommodations intermediary"
2 and "booking charge" have the meanings assigned by Section 156.054.

3 (b) Notwithstanding Section 351.004 or any other law,
4 beginning June 1, 2026:

5 (1) an accommodations intermediary:

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

9 (B) shall report and remit all taxes collected by
10 the accommodations intermediary under Section 351.0043 (b)(1)(A)
11 in the manner required of a person owning, operating, managing, or
12 controlling a hotel under this chapter;

13 (C) shall report and remit all taxes collected by
14 the intermediary under Section 351.0043 (b)(1)(A) to the
15 comptroller according to a schedule determined by the comptroller;
16 and

17 (D) 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 a 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 a hotel made through the accommodations intermediary.

25 (c) An accommodations intermediary shall report and remit
26 all taxes collected by the accommodations intermediary under
27 Subsection (b) to the comptroller in accordance with Section

1 156.054.

2 (d) The comptroller shall:

3 (1) subject to Section 156.054(f), deposit the taxes
4 remitted to the comptroller under this section in trust in the
5 separate suspense account of the municipality in which hotels with
6 respect to which the taxes were collected are located; and

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

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

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

23 (g) An accommodations intermediary that collects the tax
24 imposed by this chapter is subject to audit by the comptroller and
25 solely subject to audit by the comptroller with regard to taxes
26 required to be remitted to the comptroller under Subsection (c).
27 The accommodations intermediary is entitled to seek review and to

1 appeal a determination made by the comptroller in relation to the
2 collection of a tax imposed by this chapter in the same manner
3 provided for a tax imposed under Chapter 151 and as provided in
4 Chapter 111.

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

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

19 (j) Each municipality imposing a tax under this chapter
20 shall provide notice to the comptroller of the applicable rate of
21 such tax imposed by the municipality on or before December 1, 2025,
22 and on an annual basis thereafter.

23 (k) Each municipality that enacts a tax under this chapter
24 after the effective date of this Act shall provide to the
25 comptroller notice of the rate of such tax at least 60 days before
26 the effective date of the tax.

27 (l) An accommodations intermediary that collects the tax

imposed by this chapter at the rate published by the comptroller pursuant to Section 156.054(e) shall be relieved of any and all liability for having collected and remitted an incorrect rate.

(m) Information disclosed by an accommodations intermediary pursuant to this chapter shall be subject to the protections of Chapter 111.

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

SECTION 3. Subchapter A, Chapter 352, Tax Code, is amended by adding Section 352.0042 to read as follows:

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

(b) Notwithstanding Section 352.004 or any other law, beginning June 1, 2026:

(1) an accommodations intermediary:

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

(B) shall report and remit all taxes collected by the accommodations intermediary under Section 352.0042 (b)(1)(A) in the manner required of a person owning, operating, managing, or controlling a hotel under this chapter; and

(C) shall report and remit all taxes collected by the intermediary under Section 352.0042 (b)(1)(A) to the comptroller according to a schedule determined by the comptroller; and

1 (D) is considered to be the person owning,
2 operating, managing, or controlling the hotel for purposes of the
3 collection and enforcement of the tax imposed under this chapter on
4 a booking charge for a room or space in a hotel made through the
5 accommodations intermediary; and

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

9 (c) An accommodations intermediary shall report and remit
10 all taxes collected by the intermediary under Subsection (b) in
11 accordance with Section 156.054.

12 (d) The comptroller shall:

13 (1) subject to Section 156.054(f), deposit the taxes
14 remitted to the comptroller under this section in trust in the
15 separate suspense account of the county in which hotels with
16 respect to which the taxes were collected are located; and

17 (2) distribute to the county treasurer payable to the
18 county the county's share of the taxes remitted to the comptroller
19 under this chapter at least 12 times during each state fiscal year.

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

23 (f) Before distributing any money to a county under
24 Subsection (d) and subject to the limitation provided by this
25 subsection, the comptroller shall deduct and deposit to the credit
26 of the general revenue fund an amount equal to one percent of the
27 amount of the taxes collected from booking charges for hotels

1 located in the county under this section during the period for which
2 a distribution is made as the state's charge for services provided
3 by the state under this section.

4 (g) An accommodations intermediary that collects the tax
5 imposed by this chapter is subject to audit by the comptroller and
6 solely subject to audit by the comptroller with regard to taxes
7 required to be remitted to the comptroller under Subsection (c).
8 The accommodations intermediary is entitled to seek review and to
9 appeal a determination made by the comptroller in relation to the
10 collection of a tax imposed by this chapter in the same manner
11 provided for a tax imposed under Chapter 151 and as provided in
12 Chapter 111.

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

20 (i) This section does not apply to an accommodations
21 intermediary that has entered into an agreement with a county or
22 other political subdivision to collect and remit hotel occupancy
23 taxes for the rental of a room or space in a hotel in the county or
24 political subdivision that is facilitated by the intermediary and
25 provided written notice of the agreement to the comptroller, so
26 long as the agreement remains in effect.

27 (j) Each political subdivision imposing a tax under this

1 chapter shall provide notice to the comptroller of the applicable
2 rate of such tax imposed by the municipality on or before December
3 1, 2025, and on an annual basis thereafter.

4 (k) Each political subdivision that enacts a tax under this
5 chapter after the effective date of this Act shall provide to the
6 comptroller notice of the rate of such tax at least 60 days before
7 the effective date of the tax.

8 (l) An accommodations intermediary that collects the tax
9 imposed by this chapter at the rate published by the comptroller
10 pursuant to Section 156.054(e) shall be relieved of any and all
11 liability for having collected and remitted an incorrect rate.

12 (m) Information disclosed by an accommodations intermediary
13 pursuant to this chapter shall be subject to the protections of
14 Chapter 111.

15 (n) The comptroller may adopt rules to implement and
16 administer this section.

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

19 (a) Sections 351.002(c), 351.004, 351.0041, 351.0043,
20 351.005, and 351.006, Tax Code, govern the imposition, computation,
21 administration, collection, and remittance of a municipal tax
22 authorized under this subchapter except as inconsistent with this
23 subchapter.

24 (b) Sections 352.002(c), 352.004, 352.0041, 352.0042,
25 352.005, and 352.007, Tax Code, govern the imposition, computation,
26 administration, collection, and remittance of a county tax
27 authorized under this subchapter except as inconsistent with this

subchapter.

SECTION 5. Subchapter A, Chapter 372 of Subtitle A, Local Government Code is amended by adding Sections 372.0016 and 372.0185 to read as follows:

Sec. 372.0016. DEFINITION. In this chapter, "accommodations intermediary" has the meaning set forth at Section 156.054 of Subchapter B of Chapter 156 of the Tax Code.

Sec. 372.0185. (a) Collection by accommodations intermediary. Notwithstanding any other provision of law, beginning June 1, 2026, if the governing body of a municipality or county establishes a public improvement district under this subchapter and levies an assessment against hotels that is imposed on a percentage of the consideration paid for occupancy of any sleeping room furnished by a hotel and is to be collected in the same manner and in accordance with the same procedures as those established in the municipality's or county's hotel occupancy tax, the governing body may require an accommodations intermediary to collect the assessment if all of the following are satisfied:

(1) A hotel in the public improvement district agrees with an accommodations intermediary to have the assessment collected by the accommodations intermediary;

(2) The hotel informs the accommodations intermediary of the appropriate rate to be charged and any other information necessary for the accommodations intermediary to properly collect the assessment; and

(3) The hotel agrees to remit the assessment to the appropriate governing body of the municipality or county.

1 (b) If an accommodations intermediary is required to
2 collect an assessment under this subchapter, the accommodations
3 intermediary shall remit the amount collected to the hotel and
4 shall have no liability for payment of the assessment described in
5 Section 372.0185 (a) and shall not be held liable for any
6 under-collection or over-collection of the assessment.

7 SECTION 6. This Act takes effect September 1, 2025.