

BILL ANALYSIS

C.S.H.B. 2322
By: McReynolds
Local Government Ways and Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, Section, 352.002 of the Tax Code allows certain counties to impose a hotel occupancy tax. CSHB 2322 extends the hotel occupancy taxing ability to those counties with a population of 22,500 or less, and borders or contains a portion of Lake Livingston. Revenue from the tax collected by these counties may be used only for tourism, advertising, and general promotions for the purposes of attracting conventions and visitors.

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

SECTION ONE:

Section 352.002 Tax Authorized. Amends Subsections (a) and (d). Subsection (a) is amended by adding subdivision (17) to include a county that has a population of 22,500 or less, and borders or contains a portion of Lake Livingston. Subdivision (d) is amended to include new subdivision (a) 17 to the counties who may not impose a county occupancy tax for hotels located in a municipality that impose a tax under Section 351.

EFFECTIVE DATE

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2003.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute amends Section 352.002 (d), Tax Code, to include subdivision (17) to the list of counties who may not impose a county occupancy tax for hotels located in a municipality that impose a tax under Chapter 351.