

By: Brown of Kaufman

H.B. No. 2139

A BILL TO BE ENTITLED

AN ACT

relating to the authority of a county to impose a sales and use tax to build a criminal detention center.

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

SECTION 1. Subtitle C, Title 3, Tax Code, is amended by adding Chapter 328 to read as follows:

CHAPTER 328. COUNTY SALES AND USE TAX FOR CRIMINAL DETENTION CENTER

Sec. 328.001. TAX AUTHORIZED FOR CRIMINAL DETENTION CENTER.

(a) A county to which Chapter 325 does not apply may adopt or change the rate of a sales and use tax authorized by this chapter at an election held in the county.

(b) A county may not adopt a tax under this chapter or change the rate of the tax if as a result of the adoption of the tax or the change in the rate the combined rate of all sales and use taxes imposed by the county and other political subdivisions of this state having territory in the county would exceed two percent at any location in the county.

(c) If the voters of a county approve the adoption of the tax or the change in the rate at an election held on the same election date on which another political subdivision adopts a sales and use tax or approves the increase in the rate of its sales and use tax and as a result the combined rate of all sales and use taxes imposed by the county and other political subdivisions of this state having territory in the county would exceed two percent at any location in

1 the county, the election to adopt a sales and use tax under this  
2 chapter or to change the rate of the tax has no effect.

3 Sec. 328.002. COUNTY SALES AND USE TAX APPLICABLE. (a)  
4 Chapter 323 applies to the tax authorized by this chapter in the  
5 same manner as that chapter applies to the tax authorized by that  
6 chapter.

7 (b) Section 323.101(b) does not apply to the tax imposed  
8 under this chapter.

9 Sec. 328.003. TAX RATES. The tax authorized by this chapter  
10 may be imposed in increments of one-eighth of one percent, with a  
11 minimum tax rate of one-eighth of one percent and a maximum tax rate  
12 of one percent.

13 Sec. 328.004. ELECTION PROCEDURE. (a) The commissioners  
14 court of the county may call an election to adopt a tax under this  
15 chapter or change the rate of the tax. The commissioners court  
16 shall call an election to adopt the tax or change the rate if it  
17 receives a petition signed by a number of petitioners equal to at  
18 least five percent of the number of registered voters in the county.

19 (b) At the election to adopt the tax or change the rate, the  
20 ballot shall be prepared to permit voting for or against the  
21 proposition: "The adoption of a local sales and use tax in \_\_\_\_\_  
22 (name of county) at the rate of \_\_\_\_\_ (insert rate) to provide  
23 bonds or other obligations issued for a criminal detention center."

24 Sec. 328.005. EFFECTIVE DATE OF TAX. (a) The adoption of  
25 the tax or the change in the rate of the tax takes effect on the  
26 first day of the first calendar quarter occurring after the  
27 expiration of the first complete calendar quarter occurring after

1 the date on which the comptroller receives a notice of the results  
2 of the election.

3 (b) If the comptroller determines that an effective date  
4 provided by Subsection (a) will occur before the comptroller can  
5 reasonably take the action required to begin collecting the tax,  
6 the effective date may be extended by the comptroller until the  
7 first day of the next succeeding calendar quarter.

8 Sec. 328.006. USE OF TAX REVENUE. A county may use tax  
9 revenue collected under this chapter only to pay bonds or other  
10 obligations issued for a criminal detention center.

11 Sec. 328.007. ABOLITION OF TAX. (a) A sales and use tax  
12 imposed under this chapter may not be collected after the last day  
13 of the first calendar quarter occurring after notification to the  
14 comptroller by the county that all bonds or other obligations of the  
15 county that are payable wholly or partly from revenue collected  
16 under this chapter, including any refunding bonds or other  
17 obligations, have been paid in full or the full amount of money,  
18 exclusive of guaranteed interest, necessary to pay in full the  
19 bonds and other obligations has been set aside in a trust account  
20 dedicated to the payment of the bonds and other obligations.

21 (b) The county shall notify the comptroller of the  
22 expiration of the tax not later than the 60th day before the  
23 expiration date.

24 SECTION 2. 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

H.B. No. 2139

1 Act takes effect September 1, 2003.