

By: West

S.B. No. 1111

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the rate of hotel occupancy and motor vehicle rental  
3 taxes used to finance venue projects in certain counties.

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

5 SECTION 1. Section 334.103, Local Government Code, is  
6 amended by amending Subsection (a) and adding Subsection (c) to  
7 read as follows:

8 (a) Except as provided by Subsection (c), the ~~[The]~~ tax  
9 authorized by this subchapter is imposed at a rate in increments of  
10 one-eighth of one percent, not to exceed five percent, on the gross  
11 rental receipts from the rental in the municipality or county of a  
12 motor vehicle.

13 (c) A county with a population of more than two million that  
14 is adjacent to a county with a population of more than one million  
15 may impose the tax authorized by this subchapter at a rate not to  
16 exceed six percent on the gross rental receipts from the rental in  
17 the county of a motor vehicle.

18 SECTION 2. Section 334.104(a), Local Government Code, is  
19 amended to read as follows:

20 (a) Except as provided by Section 334.1041, a ~~[A]~~  
21 municipality or county that has adopted a tax under this subchapter  
22 at a rate of less than five percent may by ordinance or order  
23 increase the rate of the tax to a maximum of five percent if the  
24 increase is approved by a majority of the registered voters of that

1 municipality or county voting at an election called and held for  
2 that purpose.

3 SECTION 3. Subchapter E, Chapter 334, Local Government  
4 Code, is amended by adding Section 334.1041 to read as follows:

5 Sec. 334.1041. RATE INCREASE IN CERTAIN POPULOUS COUNTIES.

6 (a) This section applies only to a county with a population of more  
7 than two million that is adjacent to a county with a population of  
8 more than one million.

9 (b) A county that has adopted a tax under this subchapter at  
10 a rate of less than six percent may by order increase the rate of the  
11 tax to a maximum of six percent if the increase is approved by a  
12 majority of the registered voters of the county voting at an  
13 election called and held for that purpose.

14 (c) The ballot for the election to increase the rate of the  
15 tax shall be printed to permit voting for or against the  
16 proposition: "The increase of the motor vehicle rental tax for the  
17 purpose of financing \_\_\_\_\_ (insert description of venue project) to  
18 a maximum rate of \_\_\_\_\_ percent (insert new maximum rate not to  
19 exceed six percent)."

20 SECTION 4. Section 334.254, Local Government Code, is  
21 amended to read as follows:

22 Sec. 334.254. TAX RATE. (a) Except as provided by  
23 Subsection (c), the [The] tax authorized by this subchapter may be  
24 imposed by a municipality or county at any rate not to exceed two  
25 percent of the price paid for a room in a hotel.

26 (b) The ballot proposition at the election held to adopt the  
27 tax must specify the maximum rate of the tax to be adopted.

1        (c) A county with a population of more than two million that  
2 is adjacent to a county with a population of more than one million  
3 may impose the tax authorized by this subchapter at any rate not to  
4 exceed three percent of the price paid for a room in a hotel.

5        SECTION 5. This Act takes effect immediately if it receives  
6 a vote of two-thirds of all the members elected to each house, as  
7 provided by Section 39, Article III, Texas Constitution. If this  
8 Act does not receive the vote necessary for immediate effect, this  
9 Act takes effect September 1, 2003.