

1-1 By: West, et al. S.B. No. 1111
1-2 (In the Senate - Filed March 11, 2003; March 17, 2003, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; March 27, 2003, reported favorably by the following
1-5 vote: Yeas 4, Nays 0; March 27, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the rate of hotel occupancy and motor vehicle rental
1-9 taxes used to finance venue projects in certain counties.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 334.103, Local Government Code, is
1-12 amended by amending Subsection (a) and adding Subsection (c) to
1-13 read as follows:

1-14 (a) Except as provided by Subsection (c), the [The] tax
1-15 authorized by this subchapter is imposed at a rate in increments of
1-16 one-eighth of one percent, not to exceed five percent, on the gross
1-17 rental receipts from the rental in the municipality or county of a
1-18 motor vehicle.

1-19 (c) A county with a population of more than two million that
1-20 is adjacent to a county with a population of more than one million
1-21 may impose the tax authorized by this subchapter at a rate not to
1-22 exceed six percent on the gross rental receipts from the rental in
1-23 the county of a motor vehicle.

1-24 SECTION 2. Subsection (a), Section 334.104, Local
1-25 Government Code, is amended to read as follows:

1-26 (a) Except as provided by Section 334.1041, a [A]
1-27 municipality or county that has adopted a tax under this subchapter
1-28 at a rate of less than five percent may by ordinance or order
1-29 increase the rate of the tax to a maximum of five percent if the
1-30 increase is approved by a majority of the registered voters of that
1-31 municipality or county voting at an election called and held for
1-32 that purpose.

1-33 SECTION 3. Subchapter E, Chapter 334, Local Government
1-34 Code, is amended by adding Section 334.1041 to read as follows:

1-35 Sec. 334.1041. RATE INCREASE IN CERTAIN POPULOUS COUNTIES.

1-36 (a) This section applies only to a county with a population of more
1-37 than two million that is adjacent to a county with a population of
1-38 more than one million.

1-39 (b) A county that has adopted a tax under this subchapter at
1-40 a rate of less than six percent may by order increase the rate of the
1-41 tax to a maximum of six percent if the increase is approved by a
1-42 majority of the registered voters of the county voting at an
1-43 election called and held for that purpose.

1-44 (c) The ballot for the election to increase the rate of the
1-45 tax shall be printed to permit voting for or against the
1-46 proposition: "The increase of the motor vehicle rental tax for the
1-47 purpose of financing _____ (insert description of
1-48 venue project) to a maximum rate of _____ percent (insert new
1-49 maximum rate not to exceed six percent)."

1-50 SECTION 4. Section 334.254, Local Government Code, is
1-51 amended to read as follows:

1-52 Sec. 334.254. TAX RATE. (a) Except as provided by
1-53 Subsection (c), the [The] tax authorized by this subchapter may be
1-54 imposed by a municipality or county at any rate not to exceed two
1-55 percent of the price paid for a room in a hotel.

1-56 (b) The ballot proposition at the election held to adopt the
1-57 tax must specify the maximum rate of the tax to be adopted.

1-58 (c) A county with a population of more than two million that
1-59 is adjacent to a county with a population of more than one million
1-60 may impose the tax authorized by this subchapter at any rate not to
1-61 exceed three percent of the price paid for a room in a hotel.

1-62 SECTION 5. This Act takes effect immediately if it receives
1-63 a vote of two-thirds of all the members elected to each house, as
1-64 provided by Section 39, Article III, Texas Constitution. If this

2-1 Act does not receive the vote necessary for immediate effect, this
2-2 Act takes effect September 1, 2003.

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