

BILL ANALYSIS

C.S.H.B. 2297
By: Hilderbran
Local Government Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Under current law, the hotel occupancy tax may only be imposed by a county that borders Lake Buchanan with a population of 34,000 or more. This bill will allow all counties that border Lake Buchanan to impose the hotel occupancy tax under Section 352.002, Tax Code.

As proposed, C.S.H.B. 2297 extends the hotel occupancy taxing ability to all counties that border Lake Buchanan.

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

C.S.H.B. 2297 amends Section 352.002(a) and (g), Tax Code, authorizing the commissioners court of a county that borders Lake Buchanan and has a certain population to impose a county hotel occupancy tax. C.S.H.B. 2297 prohibits the tax rate in a county authorized to impose the tax under Section 352.002(a)(18), from exceeding two percent of the price paid for a room in a hotel and that the tax imposed by a county authorized by Subsection (a) (22) to impose the tax does not apply to a hotel located in a municipality.

EFFECTIVE DATE

The Act becomes effective immediately upon a two-thirds vote of both chambers. Otherwise, the bill becomes effective on September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B. 2297 brings section 352.002(a)(17) of the Tax Code back to the original language and adds new language stating that a county that has a population of more than 15,000 but less than 20,000 and borders Lake Buchanan and that the tax imposed by a county authorized by Subsection (a) (22) to impose the tax does not apply to a hotel located in a municipality.