

By: Cook of Colorado

H.B. No. 1669

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the authority of certain counties to impose a county  
3 hotel occupancy tax and to the rate of the tax.

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

5 SECTION 1. Section 352.002(a), Tax Code, is amended to read  
6 as follows:

7 (a) The commissioners courts of the following counties by  
8 the adoption of an order or resolution may impose a tax on a person  
9 who, under a lease, concession, permit, right of access, license,  
10 contract, or agreement, pays for the use or possession or for the  
11 right to the use or possession of a room that is in a hotel, costs \$2  
12 or more each day, and is ordinarily used for sleeping:

13 (1) a county that has a population of more than 3.3  
14 million;

15 (2) a county that has a population of 90,000 or more,  
16 borders the United Mexican States, and does not have three or more  
17 cities that each have a population of more than 17,500;

18 (3) a county in which there is no municipality;

19 (4) a county in which there is located an Indian  
20 reservation under the jurisdiction of the United States government;

21 (5) a county that has a population of 30,000 or less,  
22 that has no more than one municipality with a population of less  
23 than 2,500, and that borders two counties located wholly in the  
24 Edwards Aquifer Authority established by Chapter 626, Acts of the

1 73rd Legislature, Regular Session, 1993;

2 (6) a county that borders the Gulf of Mexico;

3 (7) a county that has a population of less than 5,000,  
4 that borders the United Mexican States, and in which there is  
5 located a major observatory;

6 (8) a county that has a population of 12,000 or less  
7 and borders the Toledo Bend Reservoir;

8 (9) a county that has a population of less than 12,000  
9 and an area of less than 275 square miles;

10 (10) a county that has a population of 30,000 or less  
11 and borders Possum Kingdom Lake;

12 (11) a county that borders the United Mexican States  
13 and has a population of more than 300,000 and less than 600,000;

14 (12) a county that has a population of 35,000 or more  
15 and borders or contains a portion of Lake Fork Reservoir;

16 (13) a county that borders the United Mexican States  
17 and in which there is located a national recreation area;

18 (14) a county that borders the United Mexican States  
19 and in which there is located a national park of more than 400,000  
20 acres;

21 (15) a county that has a population of 28,000 or less,  
22 that has no more than four municipalities, and that is located  
23 wholly in the Edwards Aquifer Authority established by Chapter 626,  
24 Acts of the 73rd Legislature, Regular Session, 1993;

25 (16) a county that has a population of 25,000 or less,  
26 whose territory is less than 750 square miles, and that has two  
27 incorporated municipalities, each with a population of 800 or less,

1 located on the Frio River;

2 (17) a county that has a population of 34,000 or more  
3 and borders Lake Buchanan;

4 (18) a county that has a population of more than 45,000  
5 and less than 75,000, that borders the United Mexican States, and  
6 that borders or contains a portion of Falcon Lake;

7 (19) a county with a population of 21,000 or less that  
8 borders the Neches River and in which there is located a national  
9 preserve;

10 (20) a county that has a population of 22,500 or less  
11 and that borders or contains a portion of Lake Livingston; ~~and~~

12 (21) a county that has a population of less than 22,000  
13 and in which the birthplace of a president of the United States is  
14 located; and

15 (22) a county that has a population of 16,000 or more  
16 and borders the entire north shore of Lake Somerville.

17 SECTION 2. Subchapter A, Chapter 352, Tax Code, is amended  
18 by adding Section 352.0021 to read as follows:

19 Sec. 352.0021. TAX AUTHORIZED; RATIFICATION ELECTION. (a)  
20 Subject to Subsection (e), the commissioners court of a county that  
21 has a population of 20,000 or less and that is bordered by the  
22 Brazos and Navasota Rivers, by the adoption of an order or  
23 resolution, may impose a tax on a person who, under a lease,  
24 concession, permit, right of access, license, contract, or  
25 agreement, pays for the use or possession or for the right to the  
26 use or possession of a room that is in a hotel, costs \$2 or more each  
27 day, and is ordinarily used for sleeping.

1       (b) The order or resolution imposing the tax must state the  
2 rate of the tax to be imposed. The tax rate may not exceed the rate  
3 authorized by Section 352.003(a).

4       (c) The price of a room in a hotel does not include the cost  
5 of food served by the hotel and the cost of personal services  
6 performed by the hotel for the person except for those services  
7 related to cleaning and readying the room for use or possession.

8       (d) The tax does not apply to a person who is a permanent  
9 resident under Section 156.101.

10       (e) If the commissioners court of a county authorized by  
11 Subsection (a) to impose the tax adopts an order or resolution  
12 imposing the tax and setting the tax rate, the registered voters of  
13 the county at an election held for that purpose must determine  
14 whether to approve the adopted tax rate.

15       (f) The commissioners court shall order that an election be  
16 held in the county on a date that is not less than 30 or more than 90  
17 days after the date on which it adopted the tax rate. At the  
18 election, the ballots shall be prepared to permit voting for or  
19 against the proposition: "Approving the county hotel occupancy tax  
20 at a rate of \_\_\_\_ percent of the price paid for a room in a hotel."

21       (g) If a majority of the votes cast in the election favor the  
22 proposition, the tax is imposed at the rate that was adopted by the  
23 commissioners court. If the proposition is not approved, the tax is  
24 not effective.

25       (h) Section 41.001(a), Election Code, does not apply to an  
26 election under this section.

27       SECTION 3. Subchapter A, Chapter 352, Tax Code, is amended

1 by adding Section 352.0022 to read as follows:

2 Sec. 352.0022. TAX AUTHORIZED; RATIFICATION ELECTION. (a)  
3 Subject to Subsection (e), the commissioners court of a county that  
4 has a population of more than 15,000 and less than 20,000 and is  
5 located on the Trinity and Navasota Rivers, by the adoption of an  
6 order or resolution, may impose a tax on a person who, under a  
7 lease, concession, permit, right of access, license, contract, or  
8 agreement, pays for the use or possession or for the right to the  
9 use or possession of a room that is in a hotel, costs \$2 or more each  
10 day, and is ordinarily used for sleeping.

11 (b) The order or resolution imposing the tax must state the  
12 rate of the tax to be imposed. The tax rate may not exceed the rate  
13 authorized by Section 352.003(i).

14 (c) The price of a room in a hotel does not include the cost  
15 of food served by the hotel and the cost of personal services  
16 performed by the hotel for the person except for those services  
17 related to cleaning and readying the room for use or possession.

18 (d) The tax does not apply to a person who is a permanent  
19 resident under Section 156.101.

20 (e) If the commissioners court of a county authorized by  
21 Subsection (a) to impose the tax adopts an order or resolution  
22 imposing the tax and setting the tax rate, the registered voters of  
23 the county at an election held for that purpose must determine  
24 whether to approve the adopted tax rate.

25 (f) The commissioners court shall order that an election be  
26 held in the county on a date that is not less than 30 or more than 90  
27 days after the date on which it adopted the tax rate. At the

1 election, the ballots shall be prepared to permit voting for or  
2 against the proposition: "Approving the county hotel occupancy tax  
3 at a rate of \_\_\_ percent of the price paid for a room in a hotel."

4 (g) If a majority of the votes cast in the election favor the  
5 proposition, the tax is imposed at the rate that was adopted by the  
6 commissioners court. If the proposition is not approved, the tax is  
7 not effective.

8 (h) Section 41.001(a), Election Code, does not apply to an  
9 election under this section.

10 SECTION 4. Section 352.003, Tax Code, is amended by adding  
11 Subsections (h) and (i) to read as follows:

12 (h) The tax rate in a county authorized to impose the tax  
13 under Section 352.002(a)(22) may not exceed two percent of the  
14 price paid for a room in a hotel.

15 (i) The tax rate in a county authorized to impose the tax  
16 under Section 352.0022 may not exceed two percent of the price paid  
17 for a room in a hotel.

18 SECTION 5. Subchapter A, Chapter 352, Tax Code, is amended  
19 by adding Section 352.0023 to read as follows:

20 Sec. 352.0023. TAX AUTHORIZED; RATIFICATION ELECTION. (a)  
21 Subject to Subsection (e), the commissioners court of a county that  
22 has a population of less than 15,000 and that is bordered by the  
23 Trinity and Navasota Rivers, by the adoption of an order or  
24 resolution, may impose a tax on a person who, under a lease,  
25 concession, permit, right of access, license, contract, or  
26 agreement, pays for the use or possession or for the right to the  
27 use or possession of a room that is in a hotel, costs \$2 or more each

1 day, and is ordinarily used for sleeping.

2 (b) The order or resolution imposing the tax must state the  
3 rate of the tax to be imposed. The tax rate may not exceed the rate  
4 authorized by Section 352.003(a).

5 (c) The price of a room in a hotel does not include the cost  
6 of food served by the hotel and the cost of personal services  
7 performed by the hotel for the person except for those services  
8 related to cleaning and readying the room for use or possession.

9 (d) The tax does not apply to a person who is a permanent  
10 resident under Section 156.101.

11 (e) If the commissioners court of a county authorized by  
12 Subsection (a) to impose the tax adopts an order or resolution  
13 imposing the tax and setting the tax rate, the registered voters of  
14 the county at an election held for that purpose must determine  
15 whether to approve the adopted tax rate.

16 (f) The commissioners court shall order that an election be  
17 held in the county on a date that is not less than 30 or more than 90  
18 days after the date on which it adopted the tax rate. At the  
19 election, the ballots shall be prepared to permit voting for or  
20 against the proposition: "Approving the county hotel occupancy tax  
21 at a rate of \_\_\_ percent of the price paid for a room in a hotel."

22 (g) If a majority of the votes cast in the election favor the  
23 proposition, the tax is imposed at the rate that was adopted by the  
24 commissioners court. If the proposition is not approved, the tax is  
25 not effective.

26 (h) Section 41.001(a), Election Code, does not apply to an  
27 election under this section.

1           SECTION 6. This Act takes effect immediately if it receives  
2 a vote of two-thirds of all the members elected to each house, as  
3 provided by Section 39, Article III, Texas Constitution. If this  
4 Act does not receive the vote necessary for immediate effect, this  
5 Act takes effect September 1, 2007.