

By: Dunnam

H.B. No. 3660

A BILL TO BE ENTITLED

AN ACT

relating to the authority of certain counties to impose a county hotel occupancy tax with voter approval.

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

SECTION 1. Chapter 352, Tax Code, is amended by adding Section 352.0021 to read as follows:

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

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

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

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

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

6 (f) The commissioners court shall order that an election be
7 held in the county on a date that is not less than 30 or more than 90
8 days after the date on which it adopted the tax rate. At the
9 election, the ballots shall be prepared to permit voting for or
10 against the proposition: "Approving the county hotel occupancy tax
11 at a rate of _____ percent of the price paid for a room in a hotel."

12 (g) If a majority of the votes cast in the election favor the
13 proposition, the tax is imposed at the rate that was adopted by the
14 commissioners court. If the proposition is not approved, the tax is
15 not effective.

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

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