

AN ACT

relating to the adoption, increase, or abolition of a sales and use tax by an emergency services district.

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

SECTION 1. Section 775.0751, Health and Safety Code, is amended by amending Subsections (c) and (d) and adding Subsection (c-1) to read as follows:

(c) Except as provided by Subsection (c-1), a [A] district may not adopt a tax under this section or increase the rate of the tax if as a result of the adoption of the tax or the tax increase the combined rate of all sales and use taxes imposed by the district and other political subdivisions of this state having territory in the district would exceed two percent at any location in the district.

(c-1) A district that otherwise would be precluded from adopting a sales and use tax under Subsection (c) may adopt a sales and use tax, change the rate of its sales and use tax, or abolish its sales and use tax at an election held as provided by Section 775.0752, if the board:

(1) excludes from the election and the applicability of any proposed sales and use tax any territory in the district where the sales and use tax is then at two percent; and

(2) not later than the 30th day after the date on which the board issues the election order, gives, for informational purposes, written or oral notice on the proposed imposition,

1 increase, or abolition of the sales and use tax, including the  
2 reasons for the proposed change, to the commissioners court of each  
3 county in which the district is located.

4 (d) If the voters of a district approve the adoption of the  
5 tax or an increase in the tax rate at an election held on the same  
6 election date on which another political subdivision of this state  
7 adopts a sales and use tax or approves the increase in the rate of  
8 its sales and use tax and as a result the combined rate of all sales  
9 and use taxes imposed by the district and other political  
10 subdivisions of this state having territory in the portion of the  
11 district in which the district sales and use tax will apply would  
12 exceed two percent at any location in that portion of the district,  
13 the election to adopt a sales and use tax or to increase the rate of  
14 the sales and use tax in the district under this subchapter has no  
15 effect.

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

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1502 passed the Senate on April 19, 2007, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 15, 2007, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1502 passed the House, with amendment, on May 10, 2007, by the following vote: Yeas 128, Nays 0, one present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor