

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 27, 2007

TO: Honorable Fred Hill, Chair, House Committee on Local Government Ways & Means

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB3132 by Cook, Robby (Relating to the authority of certain counties to impose a county hotel occupancy tax and to the rate of the tax.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3132, As Introduced: an impact of \$0 through the biennium ending August 31, 2009.
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General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>Brazos County</i>
2008	\$924,000
2009	\$960,000
2010	\$995,000
2011	\$1,031,000
2012	\$1,065,000

Fiscal Analysis

The bill would amend Section 352.002(a) of the Tax Code, relating to the authority of certain counties to impose a county hotel occupancy tax.

This bill would allow a county with a population of 150,000 or more and that is bordered by the Brazos and Navasota Rivers to impose a county hotel occupancy tax. The tax rate could not exceed 2 percent.

This bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take

Methodology

The only county that would meet the criteria in the bill would be Brazos County. The fiscal impact to the county cannot be estimated because it is not known whether or when Brazos County would

approve a county hotel occupancy tax or at what rate.

For illustrative purposes only, data on taxable hotel receipts from Brazos County were gathered from Comptroller tax files. The receipts were then multiplied by the 2 percent maximum tax rate to estimate the maximum potential gain to Brazos County.

Local Government Impact

The potential local government revenue gain is shown in the above tables.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, CT