

House Bill 1669
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

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

(a) The commissioners courts of the following counties 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:

- (1) a county that has a population of more than 3.3 million;
- (2) a county that has a population of 90,000 or more, borders the United Mexican States, and does not have three or more cities that each have a population of more than 17,500;
- (3) a county in which there is no municipality;
- (4) a county in which there is located an Indian reservation under the jurisdiction of the United States government;
- (5) a county that has a population of 30,000 or less, that has no more than one municipality with a population of less than 2,500, and that borders two counties located wholly in the Edwards Aquifer Authority established by Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993;
- (6) a county that borders the Gulf of Mexico;
- (7) a county that has a population of less than 5,000, that borders the United Mexican States, and in which there is located a major observatory;
- (8) a county that has a population of 12,000 or less and

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- (1) a county that has a population of more than 3.3 million;
- (2) a county that has a population of 90,000 or more, borders the United Mexican States, and does not have three or more cities that each have a population of more than 17,500;
- (3) a county in which there is no municipality;
- (4) a county in which there is located an Indian reservation under the jurisdiction of the United States government;
- (5) a county that has a population of 30,000 or less, that has no more than one municipality with a population of less than 2,500, and that borders two counties located wholly in the Edwards Aquifer Authority established by Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993;
- (6) a county that borders the Gulf of Mexico;
- (7) a county that has a population of less than 5,000, that borders the United Mexican States, and in which there is located a major observatory;
- (8) a county that has a population of 12,000 or less and

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- borders the Toledo Bend Reservoir;
- (9) a county that has a population of less than 12,000 and an area of less than 275 square miles;
- (10) a county that has a population of 30,000 or less and borders Possum Kingdom Lake;
- (11) a county that borders the United Mexican States and has a population of more than 300,000 and less than 600,000;
- (12) a county that has a population of 35,000 or more and borders or contains a portion of Lake Fork Reservoir;
- (13) a county that borders the United Mexican States and in which there is located a national recreation area;
- (14) a county that borders the United Mexican States and in which there is located a national park of more than 400,000 acres;
- (15) a county that has a population of 28,000 or less, that has no more than four municipalities, and that is located wholly in the Edwards Aquifer Authority established by Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993;
- (16) a county that has a population of 25,000 or less, whose territory is less than 750 square miles, and that has two incorporated municipalities, each with a population of 800 or less, located on the Frio River;
- (17) a county that has a population of 34,000 or more and borders Lake Buchanan;
- (18) a county that has a population of more than 45,000 and less than 75,000, that borders the United Mexican States, and that borders or contains a portion of Falcon

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- borders the Toledo Bend Reservoir;
- (9) a county that has a population of less than 12,000 and an area of less than 275 square miles;
- (10) a county that has a population of 30,000 or less and borders Possum Kingdom Lake;
- (11) a county that borders the United Mexican States and has a population of more than 300,000 and less than 600,000;
- (12) a county that has a population of 35,000 or more and borders or contains a portion of Lake Fork Reservoir;
- (13) a county that borders the United Mexican States and in which there is located a national recreation area;
- (14) a county that borders the United Mexican States and in which there is located a national park of more than 400,000 acres;
- (15) a county that has a population of 28,000 or less, that has no more than four municipalities, and that is located wholly in the Edwards Aquifer Authority established by Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993;
- (16) a county that has a population of 25,000 or less, whose territory is less than 750 square miles, and that has two incorporated municipalities, each with a population of 800 or less, located on the Frio River;
- (17) a county that has a population of 34,000 or more and borders Lake Buchanan;
- (18) a county that has a population of more than 45,000 and less than 75,000, that borders the United Mexican States, and that borders or contains a portion of Falcon

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

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

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

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

SECTION 2. Subchapter A, 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,

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Lake;

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

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

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

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

(23) a county that has a population of 20,000 or less and that is bordered by the Brazos and Navasota Rivers;

(24) a county that has a population of more than 15,000 and less than 25,000 and is located on the Trinity and Navasota Rivers; and

(25) a county that has a population of less than 15,000 and that is bordered by the Trinity and Navasota Rivers.

No equivalent provision.

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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.

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

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

(g) If a majority of the votes cast in the election favor the proposition, the tax is imposed at the rate that was adopted by the commissioners court. If the proposition

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is not approved, the tax is not effective.

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

SECTION 3. Subchapter A, Chapter 352, Tax Code, is amended by adding Section 352.0022 to read as follows:

Sec. 352.0022. TAX AUTHORIZED; RATIFICATION ELECTION. (a) Subject to Subsection (e), the commissioners court of a county that has a population of more than 15,000 and less than 20,000 and is located on the Trinity 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(i).

(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.

(e) If the commissioners court of a county authorized by Subsection (a) to impose the tax adopts an order or

No equivalent provision.

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resolution imposing the tax and setting the tax rate, the registered voters of the county at an election held for that purpose must determine whether to approve the adopted tax rate.

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

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

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

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

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

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

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SECTION 2. Section 352.003, Tax Code, is amended by adding Subsection (h) to read as follows:

(h) The tax rate in a county authorized to impose the tax under Section 352.002(a)(22), (23), (24), or (25) may not exceed two percent of the price paid for a room in a hotel.

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SECTION 5. Subchapter A, Chapter 352, Tax Code, is amended by adding Section 352.0023 to read as follows:
Sec. 352.0023. TAX AUTHORIZED; RATIFICATION ELECTION. (a) Subject to Subsection (e), the commissioners court of a county that has a population of less than 15,000 and that is bordered by the Trinity 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.
(e) If the commissioners court of a county authorized by Subsection (a) to impose the tax adopts an order or resolution imposing the tax and setting the tax rate, the registered voters of the county at an election held for that purpose must determine whether to approve the adopted tax rate.
(f) The commissioners court shall order that an election

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be held in the county on a date that is not less than 30 or more than 90 days after the date on which it adopted the tax rate. At the election, the ballots shall be prepared to permit voting for or against the proposition: "Approving the county hotel occupancy tax at a rate of ___ percent of the price paid for a room in a hotel."

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

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

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

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SECTION 3. Same as House version.

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