

By: Brown of Brazos

H.B. No. 1139

A BILL TO BE ENTITLED

AN ACT

relating to the authority of certain counties to impose a hotel occupancy tax and to the use of the tax.

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

SECTION 1. Section 352.002(f), Tax Code, as added by Chapter 749 (H.B. 3132), Acts of the 80th Legislature, Regular Session, 2007, is relettered as Section 352.002(g), Tax Code, and amended to read as follows:

(g) ~~[(f)]~~ The commissioners court of a county that has a population of 150,000 or more and that is bordered by the Brazos and Navasota Rivers may impose a tax as provided by Subsection (a). ~~[This subsection expires September 1, 2015.]~~

SECTION 2. Section 352.003(h), Tax Code, as added by Chapter 749 (H.B. 3132), Acts of the 80th Legislature, Regular Session, 2007, is relettered as Section 352.003(i), Tax Code, and amended to read as follows:

(i) Except as provided by Subsection (i-1), the ~~[(h) The]~~ tax rate in a county authorized to impose the tax under Section 352.002(g) ~~[352.002(f)]~~ may not exceed two percent of the price paid for a room in a hotel. ~~[This subsection expires September 1, 2015.]~~

SECTION 3. Section 352.003, Tax Code, is amended by adding Subsection (i-1) to read as follows:

(i-1) A county is authorized to impose the tax under Section

1 352.002(g) at the rate provided by Subsection (i) until the date the
2 commissioners court certifies that all debt payable from the tax,
3 including interest and any costs relating to the debt, has been paid
4 in full or a deposit has been made and an escrow agreement in
5 relation to the debt has been executed in compliance with
6 Subchapter C, Chapter 1207, Government Code. The county may not
7 impose the tax at a rate that exceeds 0.4 percent of the price paid
8 for a room in a hotel on or after the first day of the first month
9 after the date the commissioners court issues the certification.

10 SECTION 4. Section 352.1034, Tax Code, is amended by
11 amending Subsections (a), (b), and (d) and adding Subsection (b-1)
12 to read as follows:

13 (a) This section applies only to a county authorized to
14 impose a tax by Section 352.002(g) [~~352.002(f)~~].

15 (b) Except as provided by Subsection (b-1), the [~~The~~
16 county must spend at least 20 [~~45~~] percent of the revenue from the
17 tax on marketing projects that directly promote tourism, hotel, and
18 convention activity.

19 (b-1) If the county imposes the tax at a rate that does not
20 exceed 0.4 percent of the price paid for a room in a hotel as
21 required by Section 352.003(i-1), the county shall spend all of the
22 revenue from the tax on marketing projects that directly promote
23 tourism, hotel, and convention activity.

24 (d) The commissioners court [~~county~~] shall create a [~~an~~
25 ~~advisory~~] committee to approve [~~oversee~~] spending of the tax for a
26 construction project. The committee must be composed of eight
27 people and include four [~~at least two~~] representatives from the

1 tourism [~~hotel~~] industry selected from a list of candidates
2 submitted by the local lodging association.

3 SECTION 5. Section 352.1034(e), Tax Code, is repealed.

4 SECTION 6. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2009.