

1-1 By: Rios Ybarra (Senate Sponsor - Lucio) H.B. No. 1324
1-2 (In the Senate - Received from the House May 1, 2009;
1-3 May 5, 2009, read first time and referred to Committee on
1-4 International Relations and Trade; May 14, 2009, reported
1-5 favorably by the following vote: Yeas 7, Nays 0; May 14, 2009, sent
1-6 to printer.)

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to the municipal hotel occupancy tax imposed in certain
1-10 municipalities.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Section 351.001, Tax Code, is amended by adding
1-13 Subdivision (11) to read as follows:

1-14 (11) "Eligible barrier island coastal municipality"
1-15 means a municipality:

1-16 (A) that borders on the Gulf of Mexico;

1-17 (B) that is located wholly on a barrier island;

1-18 and

1-19 (C) the boundaries of which are within 30 miles
1-20 of the United Mexican States.

1-21 SECTION 2. Section 351.003, Tax Code, is amended by adding
1-22 Subsection (d) to read as follows:

1-23 (d) The rate in an eligible barrier island coastal
1-24 municipality may not exceed 8-1/2 percent of the price paid for a
1-25 room.

1-26 SECTION 3. Section 351.1055(a), Tax Code, is amended by
1-27 adding Subdivision (4) to read as follows:

1-28 (4) "Erosion response project" has the meaning
1-29 assigned by Section 33.601, Natural Resources Code.

1-30 SECTION 4. Section 351.1055, Tax Code, is amended by adding
1-31 Subsections (d) and (e) to read as follows:

1-32 (d) Notwithstanding any other provision of this chapter and
1-33 except as provided by Subsection (e), an eligible barrier island
1-34 coastal municipality shall use at least the amount of revenue
1-35 derived from the application of the tax at a rate of seven percent
1-36 of the cost of a room for the purposes authorized under Sections
1-37 351.101(a)(1) and (3).

1-38 (e) An eligible barrier island coastal municipality that
1-39 imposes the tax at a rate equal to or greater than 7-1/2 percent of
1-40 the price paid for a room shall use at least the amount of revenue
1-41 derived from the application of the tax at a rate of one-half of one
1-42 percent of the cost of a room for erosion response projects.

1-43 SECTION 5. This Act takes effect immediately if it receives
1-44 a vote of two-thirds of all the members elected to each house, as
1-45 provided by Section 39, Article III, Texas Constitution. If this
1-46 Act does not receive the vote necessary for immediate effect, this
1-47 Act takes effect September 1, 2009.

1-48 * * * * *