

By: Brown of Brazos

H.B. No. 4661

A BILL TO BE ENTITLED

AN ACT

relating to the rate of the municipal hotel occupancy tax in certain municipalities.

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

SECTION 1. Section 351.003, Tax Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) The rate in a home rule municipality originally chartered in or after 1938 that is home to a major state university and in a county bordered by the Brazos and Navasota Rivers may not exceed seven and three-quarter percent of the price paid for a room.

(e) A municipality under subsection (d) shall use at least the amount of revenue derived from the application of the tax at a rate that is greater than seven percent of the cost of a room for the purpose of construction of a convention center and may not raise its hotel tax above seven percent until the municipality has executed a contract for construction of the convention center.

SECTION 2. 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, 2009.