

By: Harris

S.B. No. 1247

Substitute the following for S.B. No. 1247:

By: Oliveira

C.S.S.B. No. 1247

A BILL TO BE ENTITLED

1

AN ACT

2 relating to the imposition of the municipal hotel occupancy tax by
3 certain eligible central municipalities.

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

5 SECTION 1. Section 351.001(7), Tax Code, is amended to read
6 as follows:

7 (7) "Eligible central municipality" means a
8 municipality with a population of more than 140,000 [~~440,000~~] but
9 less than 1.5 million that is located in a county with a population
10 of one million or more and that has adopted a capital improvement
11 plan for the expansion of an existing convention center facility.

12 SECTION 2. Section 351.003(b), Tax Code, is amended to read
13 as follows:

14 (b) The rate in an eligible central municipality may not
15 exceed nine percent of the price paid for a room. This subsection
16 does not apply to a municipality to which Section 351.106 applies or
17 to an eligible central municipality with a population of less than
18 440,000.

19 SECTION 3. Sections 351.102(b) and (c), Tax Code, are
20 amended to read as follows:

21 (b) An eligible central municipality may pledge the revenue
22 derived from the tax imposed under this chapter from a hotel project
23 that is owned by or located on land owned by the municipality or by a
24 nonprofit corporation acting on behalf of an eligible central

1 municipality and that is located within 1,000 feet of a convention
2 center facility owned by the municipality for the payment of bonds
3 or other obligations issued or incurred to acquire, lease,
4 construct, and equip the hotel and any facilities ancillary to the
5 hotel, including convention center entertainment-related
6 facilities, restaurants, shops, and parking facilities within
7 1,000 feet of the hotel or convention center facility. For bonds or
8 other obligations issued under this subsection, an eligible central
9 municipality may only pledge revenue or other assets of the hotel
10 project benefiting from those bonds or other obligations.

11 (c) A municipality to which Subsection (b) applies is
12 entitled to receive all funds from a project described by this
13 section that an owner of a project may receive under Section
14 151.429(h) of this code, or Section 2303.5055, Government Code, and
15 may pledge the funds for the payment of obligations issued under
16 this section.

17 SECTION 4. Section 1504.001(b), Government Code, is amended
18 to read as follows:

19 (b) An eligible central municipality, as defined by Section
20 351.001, Tax Code, may establish, acquire, lease as lessee or
21 lessor, construct, improve, enlarge, equip, repair, operate, or
22 maintain a hotel, and any facilities ancillary to the hotel,
23 including convention center entertainment-related facilities,
24 restaurants, shops, and parking facilities, that are owned by or
25 located on land owned by the municipality or by a nonprofit
26 corporation acting on behalf of the municipality, and that are [~~is~~]
27 located within 1,000 feet of a hotel or a convention center facility

1 owned by the municipality.

2 SECTION 5. The change in law made by this Act applies only
3 to revenue derived from the tax to which this section applies that
4 is pledged on or after the effective date of this Act. Revenue
5 pledged before the effective date of this Act is governed by the law
6 in effect when the revenue was pledged, and the former law is
7 continued in effect for that purpose.

8 SECTION 6. This Act takes effect September 1, 2009.