

BILL ANALYSIS

Senate Research Center

S.B. 1413
By: Hegar
Economic Development
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, the state imposes a six percent hotel occupancy tax and local taxing authorities are authorized to impose an additional local tax. In Bastrop County, different hotel occupancy tax rates are imposed in different parts of the county. S.B. 1413 seeks to equalize the hotel occupancy tax rate countywide by authorizing the imposition of a 0.75 percent hotel occupancy tax in Bastrop County and its extraterritorial jurisdiction and a 7.75 percent in the county, bringing the sum of state and local hotel occupancy tax to an equal 13.75 percent throughout the county.

S.B. 1413 amends current law relating to the authority of certain counties to impose a county hotel occupancy tax and to the rate of the tax.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 352.002, Tax Code, by adding Subsection (p), as follows:

(p) Authorizes the commissioners court of a county that has a population of 80,000 or less, in which two state parks are located, and through which the Colorado River flows but that is not bordered by that river, to impose a tax as authorized by Subsection (a) (relating to a tax on certain hotel rooms).

SECTION 2. Amends Section 352.003, Tax Code, by adding Subsection (o), as follows:

(o) Prohibits the tax rate in a county authorized to impose the tax under Section 352.002(p), except as otherwise provided by this subsection, from exceeding seven percent of the price paid for a room in a hotel. Requires the county to impose the tax authorized under Section 352.002(p) at a rate that is prohibited from exceeding 0.75 percent of the price paid for a room in a hotel if the hotel is located in:

- (1) a municipality that imposes a tax under Chapter 351 (Municipal Hotel Occupancy Taxes) applicable to the hotel; or
- (2) the extraterritorial jurisdiction of that municipality and the municipality imposes a tax in that area under Section 351.0025 (Extraterritorial Jurisdiction) applicable to the hotel.

SECTION 3. Effective date: upon passage or September 1, 2011.