

By: Alvarado

H.B. No. 3036

A BILL TO BE ENTITLED

AN ACT

relating to the municipal sales and use tax for street maintenance.

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

SECTION 1. Section 327.007, Tax Code, is amended by amending Subsections (a), (b), and (c) and adding Subsection (b-1) to read as follows:

(a) Unless imposition of the sales and use tax authorized by this chapter is reauthorized as provided by this section, the tax expires on:

(1) the fourth anniversary of the date the tax originally took effect under Section 327.005; or

(2) the first day of the first calendar quarter occurring not earlier than [after] the fourth anniversary and not later than the tenth anniversary of the date the tax was last reauthorized under this section.

(b) An election to reauthorize the tax is called and held in the same manner as an election to adopt the tax under Section 327.006, except the ballot proposition shall be prepared to permit voting for or against the proposition: "The reauthorization of the local sales and use tax in (name of municipality) at the rate of (insert appropriate rate) to continue providing revenue for maintenance and repair of municipal streets. The tax expires on the (insert "fourth," "fifth," "sixth," "seventh," "eighth," "ninth," or "tenth," as appropriate) anniversary of the date of this

1 election unless the imposition of the tax is reauthorized."

2 (b-1) If the tax has not expired, a municipality may hold an  
3 election to reauthorize the tax for:

4 (1) a four-year period at any time; or

5 (2) a period of more than four years but not more than  
6 ten years at any time after the second anniversary of the date of  
7 the last election.

8 (c) If [~~an election to reauthorize the tax is not held~~  
9 ~~before~~] the tax expires as provided by Subsection (a), [~~or if a~~  
10 ~~majority of the votes cast in an election to reauthorize the tax do~~  
11 ~~not favor reauthorization,~~] the municipality may not call an  
12 election on the question of authorizing a new tax under this chapter  
13 before the first anniversary of the date on which the tax expired.

14 SECTION 2. Section 327.008, Tax Code, is amended to read as  
15 follows:

16 Sec. 327.008. USE OF TAX REVENUE. Revenue from the tax  
17 imposed under this chapter may be used only to maintain and repair:

18 (1) municipal streets existing on the date of the  
19 election to adopt the tax; and

20 (2) sidewalks existing on the date of the election to  
21 adopt the tax that are adjacent to a street being maintained or  
22 repaired using revenue from the tax imposed under this chapter.

23 SECTION 3. This Act takes effect immediately if it receives  
24 a vote of two-thirds of all the members elected to each house, as  
25 provided by Section 39, Article III, Texas Constitution. If this  
26 Act does not receive the vote necessary for immediate effect, this  
27 Act takes effect September 1, 2011.