

By: Alvarado

H.B. No. 3036

A BILL TO BE ENTITLED

AN ACT

relating to the municipal street maintenance sales tax.

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

SECTION 1. Section 327.007, Tax Code, is amended 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 after the fourth anniversary of the date the tax was last reauthorized for a four-year period under this section~~[-]~~; or

(3) the first day of the first calendar quarter occurring after the tenth anniversary of the date the tax was last reauthorized for a ten-year period under this section.

(b) A municipality may order an election to reauthorize the sales and use tax for a period of either four years or ten years:

(1) An election to reauthorize the tax for a four-year period 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) for a period of four years at the rate of (insert

1 appropriate rate) to continue providing revenue for maintenance and
2 repair of municipal streets."

3 (2) As an alternative to a four-year reauthorization
4 period, an election may be held to reauthorize the tax for a
5 ten-year period. An election to reauthorize the tax for a ten-year
6 period is called and held in the same manner as an election to adopt
7 the tax under Section 327.006, except the ballot proposition shall
8 be prepared to permit voting for or against the proposition; "The
9 reauthorization of the local sales and use tax in (name of
10 municipality) for a period of ten years at the rate of (insert
11 appropriate rate) to continue providing revenue for maintenance and
12 repair of municipal streets." An election to reauthorize the tax
13 for a ten-year period may be held no earlier than two years after
14 the date of the last election to authorize or reauthorize the tax.

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

21 (d) Not later than the 10th day after the date the
22 municipality determines that the tax will expire as provided by
23 Subsection (a), the municipality shall notify the comptroller of
24 the scheduled expiration. The comptroller may delay the scheduled
25 expiration date if the comptroller notifies the municipality that
26 more time is required. The comptroller must provide a new
27 expiration date that is not later than the last day of the first

1 calendar quarter occurring after the notification to the
2 comptroller.

3 SECTION 2. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2011.