

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 17, 2011

TO: Honorable Harvey Hilderbran, Chair, House Committee on Ways & Means

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1033 by Craddick (relating to the authority of certain counties to impose a county hotel occupancy tax.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 352 of the Tax Code, regarding the county hotel occupancy tax.

The bill would allow the commissioners court of a county with a population less than 8,000, and that is bordered by the Pecos River and by a county with a population greater than 120,000, to impose a hotel occupancy tax. The county hotel occupancy tax would not apply to a hotel located in a municipality that imposes a tax under Chapter 351 of the Tax Code.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2011.

Local Government Impact

The bill would authorize Crane County to impose a county hotel occupancy tax at a rate not to exceed 7 percent. The bill would restrict Crane County from imposing its tax in a municipality where a municipality imposes a tax authorized by Chapter 351 regarding the municipal hotel occupancy tax. Based on the provisions in the bill there would be an indeterminate revenue gain to Crane County.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KK, SD, AG