

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

March 15, 2011

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

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

IN RE: HB1315 by Aliseda (Relating to the use of municipal hotel occupancy tax revenue in certain municipalities.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 351 of the Tax Code, regarding the use of municipal hotel occupancy tax revenue in certain municipalities.

The bill would allow certain municipalities to use revenue from the municipal hotel occupancy tax for economic development projects and to construct, enlarge, equip, improve, maintain, repair, and operate a recreational facility. A qualifying municipality must have a population of at least 4,000 but less than 5,500, and be the county seat of a county with a population of less than 50,000 that borders a county with a population of more than 1.6 million.

Local Government Impact

For an applicable municipality, an additional usage of hotel occupancy tax revenue would have no direct fiscal impact, although indirectly, it could create a savings if another revenue source had been used for economic development projects and enhancing and upgrading existing facilities.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, KK, SD, AG