

By: N. Gonzalez of El Paso

H.B. No. 2974

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the short-term motor vehicle rental tax used to finance  
3 certain athletic events.

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

5 SECTION 1. Section 334.353, Local Government Code, is  
6 amended by amending Subsection (c) and adding Subsection (d) to  
7 read as follows:

8 (c) The tax authorized by this subchapter is imposed at a  
9 rate in increments of one-eighth of one percent, not to exceed nine  
10 percent, on the gross rental receipts from the rental in the  
11 municipality of a motor vehicle.

12 (d) Except as otherwise provided by this subchapter,  
13 Subchapter E applies to the tax imposed under this subchapter.

14 SECTION 2. Subchapter J, Chapter 334, Local Government  
15 Code, is amended by adding Sections 334.355 and 334.356 to read as  
16 follows:

17 Sec. 334.355. RATE INCREASE. (a) A municipality that has  
18 adopted a tax under this subchapter at a rate of less than nine  
19 percent may by ordinance increase the rate of the tax to a maximum  
20 of nine percent if the increase is approved by a majority of the  
21 registered voters of that municipality voting at an election called  
22 and held for that purpose.

23 (b) The ballot for an election to increase the rate of the  
24 tax shall be printed to permit voting for or against the

1 proposition: "The increase of the motor vehicle rental tax for the  
2 purpose of financing \_\_\_\_\_ (insert description of athletic event)  
3 to a maximum rate of \_\_\_\_\_ percent (insert new maximum rate not to  
4 exceed nine percent)."

5 Sec. 334.356. EFFECTIVE DATE AND ENDING DATE OF TAX. (a) A  
6 tax imposed under this subchapter or a change in a tax rate takes  
7 effect on the date prescribed by the ordinance or order imposing the  
8 tax or changing the rate.

9 (b) A municipality may impose a tax under this subchapter  
10 only if an athletic event is held annually in the municipality.

11 SECTION 3. This Act takes effect September 1, 2013.