

AN ACT

relating to the rates of municipal and county hotel occupancy taxes in certain municipalities and counties and the use of certain revenue from those taxes; changing the rates of taxes.

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

SECTION 1. Section 352.003, Tax Code, is amended by adding Subsections (i-1) and (i-2) to read as follows:

(i-1) Notwithstanding Subsection (i), the tax rate in a county authorized to impose the tax under Section 352.002(g) may not exceed 2.75 percent of the price paid for a room in a hotel if:

(1) the convention and visitors bureau within the county executes a preferred access facilities contract with a major state university based in the county for the purpose of promoting tourism in the county;

(2) the county allocates, for payments to the university under the contract described by Subdivision (1) to be used for the renovation of a stadium located in the county and owned by the university, the portion of the revenue received by the county that is derived from the application of the tax at a rate of more than two percent of the price paid for a room in a hotel; and

(3) not more than 30 years have passed from the date bonds were originally issued by the university to finance a stadium renovation project for the stadium described by Subdivision (2).

(i-2) Subsection (i-1) and this subsection expire on the

1 date the county commissioners court certifies that all debt issued
2 or incurred by the university to finance or refinance the stadium
3 renovation project described by Subsection (i-1), including
4 interest and any costs relating to the debt, has been paid in full.

5 SECTION 2. Section 352.1034(b), Tax Code, is amended to
6 read as follows:

7 (b) The county must spend at least 20 [~~45~~] percent of the
8 revenue from the tax on marketing projects that directly promote
9 tourism, hotel, and convention activity.

10 SECTION 3. Section 351.0035, Tax Code, is repealed.

11 SECTION 4. This Act takes effect immediately if it receives
12 a vote of two-thirds of all the members elected to each house, as
13 provided by Section 39, Article III, Texas Constitution. If this
14 Act does not receive the vote necessary for immediate effect, this
15 Act takes effect September 1, 2013.

President of the Senate

Speaker of the House

I certify that H.B. No. 3296 was passed by the House on May 2, 2013, by the following vote: Yeas 145, Nays 2, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3296 was passed by the Senate on May 22, 2013, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor