

By: Rodriguez

S.B. No. 1696

A BILL TO BE ENTITLED

AN ACT

relating to the short-term motor vehicle rental tax used to finance certain athletic events.

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

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

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

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

SECTION 2. Section 334.354, Local Government Code, is amended by adding Subsection (b) to read as follows:

Sec. 334.354. USE OF REVENUE. (a) Notwithstanding any other provision of this chapter, the municipality may use revenue from the tax to:

(1) pay the costs of collecting the tax;

(2) operate one or more athletic events in the municipality; and

(3) pay costs associated with an athletic event in the municipality, including paying the costs of planning, acquiring, establishing, developing, advertising, promoting, conducting,

1 sponsoring, or otherwise supporting the event.

2 (b) not less than one percent of the gross rental receipts
3 shall be used for repair and maintenance of the facilities used for
4 the athletic event.

5 SECTION 3. Subchapter J, Chapter 334, Local Government
6 Code, is amended by adding Sections 334.355 and 334.356 to read as
7 follows:

8 Sec. 334.355. RATE INCREASE. A municipality that has
9 adopted a tax under this subchapter at a rate of less than nine
10 percent may by ordinance increase the rate of the tax to a maximum
11 of nine percent if the increase is approved by a majority of the
12 registered voters of that municipality voting at an election called
13 and held for that purpose.

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

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

20 SECTION 4. This Act takes effect September 1, 2013.