

By: Zaffirini

S.B. No. 1703

A BILL TO BE ENTITLED

AN ACT

relating to the use of hotel occupancy tax revenue in certain municipalities and counties.

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

SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1067 to read as follows:

Sec. 351.1067. ALLOCATION OF REVENUE: CERTAIN MUNICIPALITIES IN COUNTIES THROUGH WHICH ARANSAS RIVER FLOWS. (a) This section applies only to a municipality located in a county with a population of less than 50,000 through which the Aransas River flows and that has a municipality with a population of more than 10,000.

(b) Notwithstanding any other provision of this chapter, a municipality to which this section applies may use up to 50 percent of the hotel tax for a period of up to twelve years for the critical water infrastructure to address a severe drought that would directly impair area hotel activity. A municipality to which this section applies may not reduce the amount of revenue that it uses for a purpose described by Section 351.101 (a) (3) to an amount that is less than the average amount of revenue used by the municipality for that purpose during the 36-month period that precedes the municipality's use of revenue under this subsection.

SECTION 2. Subchapter B, Chapter 352, Tax Code, is amended by adding Section 352.1041 to read as follows:

1 Sec. 352.1041. USE OF REVENUE: CERTAIN COUNTIES THROUGH
2 WHICH ARANSAS RIVER FLOWS. Notwithstanding any other provision of
3 this chapter, a county with a population of less than 50,000 through
4 which the Aransas River flows and that has a municipality with a
5 population of more than 10,000 and is authorized to impose a tax
6 under this chapter may use up to 20 percent of the revenue from a tax
7 imposed under this chapter to address certain transportation
8 infrastructure damage that is directly attributable to hotel
9 activity within the county.

10 SECTION 3. This Act takes effect immediately if it receives
11 a vote of two-thirds of all the members elected to each house, as
12 provided by Section 39, Article III, Texas Constitution. If this
13 Act does not receive the vote necessary for immediate effect, this
14 Act takes effect September 1, 2013.

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