

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 21, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB56 by Burnam (Relating to the tax exemption for permanent hotel residents.), **As Introduced**

<p>No fiscal implication to the State is anticipated.</p>
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The bill would amend Chapter 351 of the Tax Code, regarding the municipal hotel occupancy tax.

The bill would repeal Section 351.002(c), effectively removing the exclusion from this tax for a permanent resident of a hotel, defined as a person who has the right to use or possess a room in a hotel for at least 30 consecutive days so long as there is no interruption of payment for the period.

The bill would take effect September 1, 2013.

Local Government Impact

The bill would have no effect on state revenues. It would, however, increase revenues for municipalities upon enactment. Municipal hotel occupancy taxes are remitted directly to the appropriate municipalities and the Comptroller of Public Accounts does not have data on those revenues. Therefore, the bill could have an indeterminate revenue gain to municipalities.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD, AG