

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION**

**April 5, 2013**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **HB253** by Larson (Relating to the use of municipal hotel occupancy tax revenue in certain municipalities.), **As Introduced**

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

The bill's provisions would apply to a municipality with a population of at least 3,000 but less than 4,000 that was incorporated before January 1, 1956, and that is located in a county with a population of 1.5 million or more that is within 200 miles of an international border. The bill would allow such a municipality to use revenue from its municipal hotel occupancy tax for the construction, enlargement, equipment improvement, maintenance, repair, and operation of recreational facilities; repair and maintenance of streets and other infrastructure in the municipality that is used by tourists and hotel guests and is related to meeting and recreational facilities; and police and fire protection provided to properties and guests of those properties.

The bill would take effect immediately upon receiving two-thirds majority vote in each house. Otherwise, the bill would take effect September 1, 2013.

**Local Government Impact**

Under the provisions of the bill, the town of Hollywood Park in Bexar County would qualify, based on the U.S. Bureau of the Census population estimates in the 2010 census and the date of Hollywood Park's incorporation. For an applicable municipality, an additional usage of hotel occupancy tax revenue would have no direct fiscal impact, although indirectly, it could create a savings if another revenue source had been used for this purpose.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** UP, KK, SD, AG