

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 26, 2013

TO: Honorable Tracy O. King, Chair, House Committee on Agriculture & Livestock

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB722 by King, Tracy O. (Relating to the authority of certain counties to impose a county hotel occupancy tax.), **As Introduced**

<p>No fiscal implication to the State is anticipated.</p>
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The bill would amend Chapter 352 of the Tax Code, regarding county hotel occupancy taxes.

The bill would allow a county through which the Nueces River flows, has a population of more than 11,500 and less than 25,000, and shares a border with a county that borders the United Mexican States, to impose a county hotel occupancy tax. The tax would not apply to a hotel located in a municipality that charges a municipal hotel occupancy tax under Chapter 351 of this code.

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

Based on the population and geographical limitations set forth by the bill, Zavala County would be the only eligible county. The bill's provisions would not apply to Crystal City as that municipality already charges a municipal hotel tax authorized under Chapter 351. The Comptroller of Public Accounts does not have data on any hotels located elsewhere in Zavala County necessary to estimate the potential revenue that could result from the enactment of the bill. Depending on whether Zavala County would impose a county hotel tax, the bill could have an indeterminate revenue gain to Zavala County.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, SZ, SD, AG