

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: HB1662 by Price (Relating to the use of local hotel occupancy tax revenue to conduct an audit.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 351 of the Tax Code, regarding municipal hotel occupancy taxes.

The bill would allow a municipality that has a population of at least 190,000, no part of which is located in a county with a population of at least 150,000, to use the revenue collected from the tax imposed by this chapter to conduct an audit of a person in the municipality required to collect this tax, provided the municipality not audit more than one-third of the total number of taxpayers in any fiscal year.

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 City of Amarillo would qualify, based on U.S. Bureau of the Census county and city population counts in the 2010 census. 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