

By: Hall

S.B. No. 1158

A BILL TO BE ENTITLED

AN ACT

relating to a county jail sales and use tax; authorizing a tax.

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

SECTION 1. Subtitle C, Title 3, Tax Code, is amended by adding Chapter 328 to read as follows:

CHAPTER 328. COUNTY JAIL SALES AND USE TAX

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 328.001. COUNTY SALES AND USE TAX ACT APPLICABLE.

Except to the extent that a provision of this chapter applies, Chapter 323 applies to the tax authorized by this chapter in the same manner as that chapter applies to the tax authorized by that chapter.

SUBCHAPTER B. IMPOSITION OF TAX

Sec. 328.051. TAX AUTHORIZED. (a) A county with a population of less than 50,000, the northern boundary of which borders the South Sulphur River, may adopt or increase the sales and use tax authorized by this chapter at an election held in the county.

(b) A county may decrease or abolish the sales and use tax authorized by this chapter by order adopted by the commissioners court of the county.

(c) A county shall abolish a tax under this chapter when all bonds described by Section 328.151 are fully paid.

(d) A tax under this chapter is not counted for purposes of

1 any limit on combined local tax rates.

2 Sec. 328.052. TAX RATE. (a) The tax authorized by this  
3 chapter may be imposed at the rate of one-eighth, one-fourth,  
4 three-eighths, or one-half of one percent.

5 (b) The rate may be reduced in one or more increments of  
6 one-eighth of one percent to a minimum of one-eighth of one percent  
7 or increased in one or more increments of one-eighth of one percent  
8 to a maximum of one-half of one percent, or the tax may be  
9 abolished.

10 Sec. 328.053. SALES AND USE TAX EFFECTIVE DATE. (a) The  
11 adoption, increase, decrease, or abolition of the tax takes effect  
12 on the first day of the first calendar quarter occurring after the  
13 expiration of the first complete calendar quarter occurring after  
14 the date on which the comptroller receives notice of the results of  
15 the election or a copy of the commissioners court order, as  
16 applicable.

17 (b) If the comptroller determines that an effective date  
18 provided by Subsection (a) will occur before the comptroller can  
19 reasonably take the action required to begin collecting the tax or  
20 to implement the increase, decrease, or abolition of the tax, the  
21 effective date may be extended by the comptroller until the first  
22 day of the next succeeding calendar quarter.

23 SUBCHAPTER C. TAX ELECTION PROCEDURES

24 Sec. 328.101. ELECTION PROCEDURE. (a) An election to adopt  
25 or increase the tax authorized by this chapter is called by the  
26 adoption of an order by the commissioners court of the county. The  
27 commissioners court shall call an election if a number of qualified

1 voters of the county equal to at least five percent of the number of  
2 registered voters in the county petitions the commissioners court  
3 to call the election.

4 (b) At an election to adopt the tax, the ballot shall be  
5 prepared to permit voting for or against the proposition: "The  
6 adoption of a local sales and use tax in (name of county) at the rate  
7 of \_\_\_\_\_ (one-eighth, one-fourth, three-eighths, or one-half,  
8 to be inserted as appropriate) percent to provide revenue to pay  
9 bonds for a county-owned jail."

10 (c) At an election to increase the tax, the ballot shall be  
11 prepared to permit voting for or against the proposition: "The  
12 increase of the local sales and use tax in (name of county) to the  
13 rate of \_\_\_\_\_ (one-fourth, three-eighths, or one-half, to be  
14 inserted as appropriate) percent to provide revenue to pay bonds  
15 for a county-owned jail."

16 SUBCHAPTER D. USE OF TAX REVENUE

17 Sec. 328.151. USE OF TAX REVENUE. Revenue from the tax  
18 imposed under this chapter may be used only to pay the principal of  
19 and interest on voter-approved bonds for the construction,  
20 renovation, or extension of a county-owned jail operated under  
21 Chapter 351, Local Government Code.

22 SECTION 2. This Act takes effect immediately if it receives  
23 a vote of two-thirds of all the members elected to each house, as  
24 provided by Section 39, Article III, Texas Constitution. If this  
25 Act does not receive the vote necessary for immediate effect, this  
26 Act takes effect September 1, 2015.