

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Craddick

H.B. No. 2019

A BILL TO BE ENTITLED

AN ACT

relating to the authority of certain counties to impose a hotel occupancy tax.

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

SECTION 1. Section 352.002(a-1), Tax Code, is amended to read as follows:

(a-1) In addition to the counties described by Subsection (a), the commissioners court of a county in which an airport essential to the economy of the county is located may by the adoption of an order or resolution impose a tax on a person who, under a lease, concession, permit, right of access, license, contract, or agreement, pays for the use or possession or for the right to the use or possession of a room that is in a hotel, costs \$2 or more each day, and is ordinarily used for sleeping. For the purposes of this subsection, an airport is considered to be essential to the economy of a county only if the airport is a commercial-service international airport within Class C airspace and is located in a county and owned by a municipality each having a population of less than 150,000 [~~125,000~~]. This subsection does not apply to a county described by Subsection (a)(13).

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

H.B. No. 2019

1 Act takes effect September 1, 2015.

ADOPTED

MAY 26 2015

*Atay Saw*  
Secretary of the Senate

By: Craddick/Seliger

H.B. No. 2019

Substitute the following for H.B. No. 2019:

By: Seliger

C.S. \_\_\_ .B. No. \_\_\_

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the authority of certain counties to impose a hotel  
3 occupancy tax.

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

5 SECTION 1. Section 352.002, Tax Code, is amended by  
6 amending Subsection (a-1) and adding Subsection (n) to read as  
7 follows:

8 (a-1) In addition to the counties described by Subsection  
9 (a), the commissioners court of a county in which an airport  
10 essential to the economy of the county is located may by the  
11 adoption of an order or resolution impose a tax on a person who,  
12 under a lease, concession, permit, right of access, license,  
13 contract, or agreement, pays for the use or possession or for the  
14 right to the use or possession of a room that is in a hotel, costs \$2  
15 or more each day, and is ordinarily used for sleeping. For the  
16 purposes of this subsection, an airport is considered to be  
17 essential to the economy of a county only if the airport is a  
18 commercial-service international airport within Class C airspace  
19 and is located in a county and owned by a municipality each having a  
20 population of less than 150,000 [~~125,000~~]. This subsection does  
21 not apply to a county described by Subsection (a)(13).

22 (n) The commissioners court of a county with a population of  
23 more than 300,000 and in which there is located all or part of the  
24 most populous military installation in this state may impose a tax

1 as provided by Subsection (a).

2 SECTION 2. Section 352.003, Tax Code, is amended by adding  
3 Subsection (p) to read as follows:

4 (p) In a county authorized to impose the tax under Section  
5 352.002(n), the county tax rate in relation to a hotel located in a  
6 municipality that imposes a tax under Chapter 351 may not exceed a  
7 rate that, when added to the rate of the tax imposed by the  
8 municipality under Chapter 351, exceeds the sum of the rate  
9 prescribed by Section 351.003(a) plus two percent.

10 SECTION 3. This Act takes effect immediately if it receives  
11 a vote of two-thirds of all the members elected to each house, as  
12 provided by Section 39, Article III, Texas Constitution. If this  
13 Act does not receive the vote necessary for immediate effect, this  
14 Act takes effect September 1, 2015.

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 27, 2015

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

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

**IN RE: HB2019** by Craddick (Relating to the authority of certain counties to impose a hotel occupancy tax. ), **As Passed 2nd House**

**No fiscal implication to the State is anticipated.**

The bill would amend Section 352.002, regarding the authorization of county hotel tax, to provide in Subsection (a-1) that a county with a population of less than 150,000 (an increase from 125,000 in current law) that has a commercial-service international airport within Class C airspace that is owned by a municipality having a population of less than 150,000 (an increase from 125,000) may impose a hotel occupancy tax.

The bill would add Subsection (n) to Section 352.002 to provide that a county with a population of more than 300,000, and in which there is located all or part of the most populous military installation in the state, may impose a county hotel occupancy tax.

The bill would add Subsection (p) to Section 352.003 to provide that in a county authorized to impose the tax under new Subsection 352.002(n), the county tax rate in relation to a hotel located in a municipality that imposes a municipal hotel occupancy tax may not exceed a rate that, when added to the rate of the tax imposed by the municipality, exceeds the sum of the rate prescribed by Section 351.003(a) plus two percent.

**Local Government Impact**

The bill's provisions would affect Midland and Bell Counties, based on the U.S. Census Bureau's population estimates in the 2010 census. The bill would adjust the population bracket so Midland County can continue collecting the previously authorized hotel occupancy tax. The bill would authorize Bell County to impose a county hotel occupancy tax; however, as the tax rate that might be set by the county and the timing of the imposition of this tax are unknown, there could be an indeterminate revenue gain to Bell County.

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

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

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

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 20, 2015**

**TO:** Honorable Troy Fraser, Chair, Senate Committee on Natural Resources & Economic Development

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

**IN RE:** **HB2019** by Craddick (relating to the authority of certain counties to impose a hotel occupancy tax.), **Committee Report 2nd House, Substituted**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend Section 352.002, regarding the authorization of county hotel tax, to provide in Subsection (a-1) that a county with a population of less than 150,000 (an increase from 125,000 in current law) that has a commercial-service international airport within Class C airspace that is owned by a municipality having a population of less than 150,000 (an increase from 125,000) may impose a hotel occupancy tax.

The bill would add Subsection (n) to Section 352.002 to provide that a county with a population of more than 300,000, and in which there is located all or part of the most populous military installation in the state, may impose a county hotel occupancy tax.

The bill would add Subsection (p) to Section 352.003 to provide that in a county authorized to impose the tax under new Subsection 352.002(n), the county tax rate in relation to a hotel located in a municipality that imposes a municipal hotel occupancy tax may not exceed a rate that, when added to the rate of the tax imposed by the municipality, exceeds the sum of the rate prescribed by Section 351.003(a) plus two percent.

**Local Government Impact**

The bill's provisions would affect Midland and Bell Counties, based on the U.S. Census Bureau's population estimates in the 2010 census. The bill would adjust the population bracket so Midland County can continue collecting the previously authorized hotel occupancy tax. The bill would authorize Bell County to impose a county hotel occupancy tax; however, as the tax rate that might be set by the county and the timing of the imposition of this tax are unknown, there could be an indeterminate revenue gain to Bell County.

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

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

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 30, 2015**

**TO:** Honorable Troy Fraser, Chair, Senate Committee on Natural Resources & Economic Development

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

**IN RE: HB2019** by Craddick (Relating to the authority of certain counties to impose a hotel occupancy tax.), **As Engrossed**

<b>No fiscal implication to the State is anticipated.</b>
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**Local Government Impact**

The bill's provisions would affect Midland County, based on the U.S. Census Bureau's population estimates in the 2010 census for the county and the city of Midland.

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

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

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

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**March 23, 2015**

**TO:** Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

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

**IN RE: HB2019** by Craddick (Relating to the authority of certain counties to impose a hotel occupancy tax.), **As Introduced**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

The bill's provisions would affect Midland County, based on the U.S. Census Bureau's population estimates in the 2010 census for the county and the city of Midland.

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

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

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

**TAX/FEE EQUITY NOTE**

**84TH LEGISLATIVE REGULAR SESSION**

**March 20, 2015**

**TO:** Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

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

**IN RE: HB2019** by Craddick (Relating to the authority of certain counties to impose a hotel occupancy tax.), **As Introduced**

Because the bill would not create or impact a state tax or fee, no comment from this office is required by the rules of the House as to the general effects of the proposal on the distribution of tax and fee burdens among individuals and businesses.

**Source Agencies:**

**LBB Staff:** UP, KK