

Amend HB 1300 (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subchapter A, Chapter 351, Tax Code, is amended by adding Section 351.0043 to read as follows:

Sec. 351.0043. TAX COLLECTION BY SHORT-TERM RENTAL MARKETPLACE. (a) For purposes of this section:

(1) "Booking charge" means the charge imposed on a person by a host for the purpose of renting a short-term rental in this state and includes any fees charged by the host, regardless of whether separately itemized.

(2) "Host" means a person who owns a short-term rental and offers the short-term rental for rent through a short-term rental marketplace or, if applicable, that person's authorized agent who offers the short-term rental for rent through a short-term rental marketplace.

(3) "Short-term rental" has the meaning assigned by Section 156.001.

(4) "Short-term rental marketplace" means a marketplace, Internet website, mobile application, or other platform:

(A) through which a host offers a short-term rental for rent; and

(B) that collects the booking charge for the rental of the short-term rental.

(b) Notwithstanding Section 351.004 or any other law:

(1) a short-term rental marketplace:

(A) shall collect the appropriate amount of the tax imposed under this chapter by a municipality in which a short-term rental is located on each booking charge with respect to that short-term rental;

(B) shall report and remit all taxes collected by the short-term rental marketplace under Paragraph (A) in the manner required:

(i) of a person owning, operating, managing, or controlling a hotel under this chapter and in accordance with the ordinance adopted by the municipality imposing

the tax; or

(ii) if applicable, by an agreement under this section; and

(C) is considered to be the person owning, operating, managing, or controlling the short-term rental for purposes of the collection and enforcement of the tax imposed under this chapter; and

(2) the host may not collect and is not liable for a tax imposed by this chapter on a booking charge for a rental made through the short-term rental marketplace.

(c) A short-term rental marketplace may:

(1) enter into an agreement with the comptroller to collect and remit to the comptroller the taxes imposed by a municipality under this chapter on each booking charge for a rental made through the short-term rental marketplace; or

(2) enter into an agreement with a third-party vendor to remit to the municipality the taxes described by Subdivision (1) that the short-term rental marketplace collects.

(d) To be effective, an agreement described by Subsection (c)(2) must be approved by the governing body of the municipality. During the period an agreement described by Subsection (c) is in effect, the short-term rental marketplace shall report and remit all taxes collected by the short-term rental marketplace under Subsection (b):

(1) to the comptroller on a schedule determined by the comptroller, if the agreement in effect is with the comptroller; or

(2) to the third-party vendor on a schedule determined by the vendor, if the agreement in effect is with a vendor.

(e) The comptroller or third-party vendor, as applicable, shall promulgate a form a short-term rental marketplace must use to report the taxes collected by the short-term rental marketplace under this section if an agreement under Subsection (c) is in effect. The form must include the following information:

(1) the total receipts from the rental during the reporting period of all short-term rentals located in any municipality that has approved an agreement under this section and are offered for rent through the short-term rental marketplace,

categorized by municipality in which those short-term rentals are located;

(2) the total amount of booking charges from the rental during the reporting period of all short-term rentals located in any municipality that has approved an agreement under this section and are offered for rent through the short-term rental marketplace, categorized by municipality in which those short-term rentals are located;

(3) the rate of the tax imposed under this chapter in each municipality identified under Subdivision (2); and

(4) the total receipts and the total amount of booking charges from the rental during the reporting period of all short-term rentals located in a project financing zone as defined by Section 351.1015 and offered for rent through the short-term rental marketplace, categorized by project financing zone.

(f) The form described by Subsection (e) may not require the identification of a specific guest or the host of a short-term rental.

(g) If the short-term rental marketplace collects and remits to the comptroller the taxes imposed by the municipality under this chapter in accordance with an agreement under Subsection (c)(1), the comptroller shall:

(1) deposit the taxes remitted to the comptroller under this section in trust in the separate suspense account of the municipality in which short-term rentals with respect to which the taxes were collected are located; and

(2) send to the municipal treasurer or to the person who performs the office of the municipal treasurer payable to the municipality the municipality's share of the taxes remitted to the comptroller under this chapter at least 12 times during each state fiscal year.

(h) A suspense account described by Subsection (g)(1) is outside the treasury and the comptroller may make a payment from the account without the necessity of an appropriation.

(i) Before sending any money to a municipality under Subsection (g) and subject to the limitation provided by this subsection, the comptroller shall deduct and deposit to the credit

of the general revenue fund an amount equal to one-half of one percent of the amount of the taxes collected from rentals of short-term rentals located in the municipality under this section during the period for which a distribution is made as the state's charge for services provided by the state under this section. The comptroller may not deduct from the distributions to a municipality more than \$50,000 in each state fiscal year under this subsection.

(j) If the short-term rental marketplace enters into an agreement with a third-party vendor under Subsection (c)(2), the vendor shall report and remit to a municipality that approved the agreement all taxes imposed by the municipality under this chapter and collected by the short-term rental marketplace on rentals of short-term rentals located in that municipality at the times and in the manner provided by the agreement.

(k) Notwithstanding any other law, this section applies to the collection, remittance, and distribution of taxes imposed by a political subdivision that is authorized to impose a hotel occupancy tax under a provision of the Special District Local Laws Code or Vernon's Texas Civil Statutes in the same manner the section applies to a municipality authorized to impose a hotel occupancy tax under this chapter.

(l) The comptroller may adopt rules to implement and administer this section.

SECTION _____. Subchapter A, Chapter 352, Tax Code, is amended by adding Section 352.0042 to read as follows:

Sec. 352.0042. TAX COLLECTION BY SHORT-TERM RENTAL MARKETPLACE. (a) For purposes of this section:

(1) "Booking charge," "host," and "short-term rental marketplace" have the meanings assigned by Section 351.0043.

(2) "Short-term rental" has the meaning assigned by Section 156.001.

(b) Notwithstanding Section 352.004 or any other law:

(1) a short-term rental marketplace:

(A) shall collect the appropriate amount of the tax imposed under this chapter by a county in which a short-term rental is located on each booking charge with respect to that short-term rental;

(B) shall report and remit all taxes collected by the short-term rental marketplace under Paragraph (A) in the manner required of:

(i) a person owning, operating, managing, or controlling a hotel under this chapter and in accordance with the order adopted by the county imposing the tax; or

(ii) if applicable, by an agreement under this section; and

(C) is considered to be the person owning, operating, managing, or controlling the short-term rental for purposes of the collection and enforcement of the tax imposed under this chapter; and

(2) the host may not collect and is not liable for a tax imposed by this chapter on a booking charge for a rental made through the short-term rental marketplace.

(c) A short-term rental marketplace may:

(1) enter into an agreement with the comptroller to collect and remit to the comptroller the taxes imposed by a county under this chapter on each booking charge for a rental made through the short-term rental marketplace; or

(2) enter into an agreement with a third-party vendor to remit to the county the taxes described by Subdivision (1) that the short-term rental marketplace collects.

(d) To be effective, an agreement described by Subsection (c)(2) must be approved by the commissioners court of the county. During the period an agreement described by Subsection (c) is in effect, the short-term rental marketplace shall report and remit all taxes collected by the short-term rental marketplace under Subsection (b):

(1) to the comptroller on a schedule determined by the comptroller, if the agreement in effect is with the comptroller; or

(2) to the third-party vendor on a schedule determined by the vendor, if the agreement in effect is with a vendor.

(e) The comptroller or third-party vendor, as applicable, shall promulgate a form a short-term rental marketplace must use to report the taxes collected by the short-term rental marketplace under this section if an agreement under Subsection (c) is in

effect. The form must include the following information:

(1) the total receipts from the rental during the reporting period of all short-term rentals located in any county that has approved an agreement under this section and are offered for rent through the short-term rental marketplace, categorized by county in which those short-term rentals are located;

(2) the total amount of booking charges from the rental during the reporting period of all short-term rentals located in any county that has approved an agreement under this section and are offered for rent through the short-term rental marketplace, categorized by county in which those short-term rentals are located; and

(3) the rate of the tax imposed under this chapter in each county identified under Subdivision (2).

(f) The form described by Subsection (e) may not require the identification of a specific guest or the host of a short-term rental.

(g) If the short-term rental marketplace collects and remits to the comptroller the taxes imposed by the county under this chapter in accordance with an agreement under Subsection (c)(1), the comptroller shall:

(1) deposit the taxes remitted to the comptroller under this section in trust in the separate suspense account of the county in which short-term rentals with respect to which the taxes were collected are located; and

(2) send to the county treasurer payable to the county the county's share of the taxes remitted to the comptroller under this chapter at least 12 times during each state fiscal year.

(h) A suspense account described by Subsection (g)(1) is outside the treasury and the comptroller may make a payment from the account without the necessity of an appropriation.

(i) Before sending any money to a county under Subsection (g) and subject to the limitation provided by this subsection, the comptroller shall deduct and deposit to the credit of the general revenue fund an amount equal to one-half of one percent of the amount of the taxes collected from rentals of short-term rentals located in the county under this section during the period for which

a distribution is made as the state's charge for services provided by the state under this section. The comptroller may not deduct from the distributions to a county more than \$50,000 in each state fiscal year under this subsection.

(j) If the short-term rental marketplace enters into an agreement with a third-party vendor under Subsection (c)(2), the vendor shall report and remit to a county that approved the agreement all taxes imposed by the county under this chapter and collected by the short-term rental marketplace on rentals of short-term rentals located in that county at the times and in the manner provided by the agreement.

(k) Notwithstanding any other law, this section applies to the collection, remittance, and distribution of taxes imposed by a political subdivision that is authorized to impose a hotel occupancy tax under a provision of the Special District Local Laws Code or Vernon's Texas Civil Statutes in the same manner the section applies to a county authorized to impose a hotel occupancy tax under this chapter.

(l) The comptroller may adopt rules to implement and administer this section.