

BILL ANALYSIS

H.B. 1300
By: Springer
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

According to interested parties, the law authorizing municipalities to create electronic tax administration systems for the filing of the municipal hotel occupancy tax is in need of clarification. H.B. 1300 seeks to provide for that clarification.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1300 amends the Tax Code to cap the municipal hotel occupancy tax revenue a municipality may spend for the creation, maintenance, operation, and administration of an electronic tax administration system at \$75,000, if that amount is less than one percent of the revenue. The bill clarifies that the cap is an annual cap and prohibits a municipality from using the revenue to conduct an audit.

H.B. 1300 replaces the authorization for a municipality to permit a person who is required to collect and pay over to the municipality the municipal hotel occupancy tax not more than one percent of the amount collected and required to be reported as reimbursement to the person for the costs in collecting the tax and, if applicable, the use of an electronic tax administration system with both an authorization for a municipality to permit such a person to withhold not more than one percent of the amount of the tax collected and required to be reported as reimbursement to the person for the cost of collecting the tax and a requirement that a municipality that uses municipal hotel occupancy tax revenue to create, maintain, operate, or administer an electronic tax administration system permit such a person to withhold not more than one percent of the amount of the tax collected and required to be reported as reimbursement to the person for the cost of collecting the tax.

EFFECTIVE DATE

January 1, 2018.