

## **BILL ANALYSIS**

S.B. 1221  
By: Watson  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

According to interested parties, there is currently no uniform practice for the reporting of comprehensive information regarding the use of the municipal hotel occupancy tax by Texas municipalities. S.B. 1221 seeks to address this issue by requiring an annual tax report to be submitted to the comptroller of public accounts by a municipality that imposes a municipal hotel occupancy tax.

### **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 rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 1 of this bill.

### **ANALYSIS**

S.B. 1221 amends the Tax Code to require a municipality that imposes a municipal hotel occupancy tax to report the following information to the comptroller of public accounts not later than February 20 of each year: the rate of the municipal hotel occupancy tax imposed by the municipality and, if applicable, the rate of the hotel occupancy tax imposed by the municipality under statutory provisions relating to sports and community venues; the amount of revenue collected during the municipality's preceding fiscal year from such taxes; and the amount and percentage of municipal hotel occupancy tax revenue allocated by the municipality to certain specified uses that promote tourism and the convention and hotel industry during the municipality's preceding fiscal year, stated separately as an amount and percentage for each of the uses. The bill requires the municipality to make the report by submitting the report to the comptroller on a form prescribed by the comptroller or by providing the comptroller a direct link to, or a clear statement describing the location of, the information required to be reported that is posted on the municipality's website. The bill requires the comptroller to prescribe the form a municipality must use for the report not later than January 1, 2018, requires a municipality to submit the initial report or otherwise provide the initial information not later than February 20, 2018, and authorizes the comptroller to adopt rules necessary to administer the bill's provisions.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.