

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 25, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3181 by Springer (relating to authorizing certain counties to impose a hotel occupancy tax and to the purposes for which that tax revenue may be used.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 352 of the Tax Code, regarding county hotel occupancy taxes.

The bill would amend Section 352.002, regarding the authorization of a county hotel tax for specific counties, to add new Subsection (x) to provide that the commissioners court of a county that has a population of less than 100,000 and that borders Lake Ray Roberts can impose a county hotel tax.

The bill would amend Section 352.003 to add new Subsection (u) to provide that the tax rate in a county authorized to impose the tax under this bill's provisions may not exceed 2 percent of the price paid for a room in a hotel; and would add new Section 352.113 to provide that the revenue from the tax imposed by that county may be used for any purpose described by Section 352.101(a).

The bill would have no state revenue implications.

The bill would take effect immediately upon enactment, assuming it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2017.

Local Government Impact

The bill would allow Cooke County to impose a county hotel occupancy tax.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD