

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 17, 2017

TO: Honorable Craig Estes, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1221 by Watson (Relating to an annual report submitted to the comptroller by a municipality that imposes certain hotel occupancy taxes.), **As Introduced**

<p>No significant fiscal implication to the State is anticipated.</p>

The bill would amend Chapter 351 of the Tax Code, regarding municipal hotel taxes.

The bill would add new Section 351.009 to require municipalities that impose taxes authorized by this chapter and, if applicable, Chapter 334 of the Local Government Code Subchapter H regarding sports and community venue hotel taxes, to submit an annual report to the Comptroller not later than February 20th of each year. The report would include the tax rate, the amount of revenue collected in the preceding fiscal year, and the amount and share of tax collections allocated for the arts in that year. The report would be submitted on a form prescribed by the Comptroller, or through an Internet website link provided by the municipality. The Comptroller may adopt rules as necessary to administer this section.

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

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, SZ, SD, KK