86R14300 SRA-F

By:  Phelan H.B. No. 4305

A BILL TO BE ENTITLED

AN ACT

relating to the use of hotel occupancy tax revenue by certain counties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Subchapter B, Chapter 352, Tax Code, is amended by adding Section 352.111 to read as follows:

Sec. 352.111.  USE OF REVENUE; COUNTIES BORDERING PORTION OF NECHES RIVER, SABINE RIVER, AND SABINE LAKE. (a) In addition to the purposes authorized by this chapter, the revenue from a tax imposed under this chapter by a county authorized to impose the tax by Section 352.002(a)(28) may be used to construct and equip a pavilion that is primarily used for events attended by tourists and hotel guests and that has a substantial impact on hotel activity.

(b)  If a county to which this section applies uses revenue derived from the tax imposed under this chapter for a purpose described by Subsection (a), the county may not reduce the percentage of revenue from the tax imposed under this chapter and allocated for a purpose described by Section 351.101(a)(3) to a percentage that is less than the average percentage of that revenue allocated by the county for that purpose during the 36-month period preceding the date the county first uses hotel occupancy tax revenue for the purpose described by Subsection (a).

SECTION 2.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.