By:  Johnson S.B. No. 941

A BILL TO BE ENTITLED

AN ACT

relating to the expiration of the municipal sales and use tax for street maintenance in certain municipalities.

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

SECTION 1.  Sections 327.007(a) and (b), Tax Code, are amended to read as follows:

(a)  Unless imposition of the sales and use tax authorized by this chapter is reauthorized as provided by this section, the tax expires on:

(1)  the fourth anniversary of the date the tax originally took effect under Section 327.005;

(2)  the first day of the first calendar quarter occurring after the fourth anniversary of the date the tax was last reauthorized under this section if, at that election, the voters approved the imposition of the tax for a period that expires on that anniversary;

(2-a)  if the tax is imposed in a municipality that is intersected by two interstate highways, that has a population of 150,000 or more, and in which at least 66 percent of the voters voting in each of the last two consecutive elections concerning the adoption or reauthorization of the tax favored adoption or reauthorization, and that tax has not expired as provided by Subdivision (1) or (2) since the first of those two consecutive elections, the last day of the first calendar quarter occurring after the eighth anniversary of the date the tax was last reauthorized under this section if, at that election, the voters approved the imposition of the tax for a period that expires on that anniversary instead of the period described by Subdivision (2);

(2-b)  if the tax is imposed in a municipality with a population of less than 50,000 that includes a portion of an international airport and that is located in only two counties, one of which has a population of 2.2 million or more and is adjacent to a county with a population of more than 600,000, the last day of the first calendar quarter occurring after the 10th anniversary of the date the tax was last reauthorized under this section if, at that election, the voters approved the imposition of the tax for a period that expires on that anniversary instead of the period described by Subdivision (2); or

(3)  if the tax is imposed in a general-law municipality with a population of 10,000 or more surrounded entirely by a municipality with a population of 1.3 million or more, the last day of the first calendar quarter occurring after the 10th anniversary of the date the tax was last reauthorized under this section if, at that election, the voters approved the imposition of the tax for a period that expires on that anniversary instead of the period described by Subdivision (2).

(b)  An election to reauthorize the tax is called and held in the same manner as an election to adopt the tax under Section 327.006, except the ballot proposition shall be prepared to permit voting for or against the proposition: "The reauthorization of the local sales and use tax in (name of municipality) at the rate of (insert appropriate rate) to continue providing revenue for maintenance and repair of municipal streets. The tax expires on the (insert "first day of the first calendar quarter occurring after the fourth anniversary" or "last day of the first calendar quarter occurring after the (insert[~~,~~] eighth[~~,~~] or 10th anniversary, as applicable)") [~~anniversary~~] of the date of this election unless the imposition of the tax is reauthorized."

SECTION 2.  The change in law made by this Act to Section 327.007(b), Tax Code, applies only to ballot language for an election ordered on or after the effective date of this Act. Ballot language for an election ordered before the effective date of this Act is governed by the law in effect when the election was ordered.

SECTION 3.  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.