

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

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1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2019.