

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 10, 2019

TO: Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources & Economic Development

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1634 by Kuempel (Relating to the imposition and rate of the county hotel occupancy tax in certain counties; authorizing the imposition of a tax.), **As Engrossed**

No fiscal implication to the State is anticipated.

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

Section 352.002 would be amended by adding Subsection (y) to provide that the commissioners court of a county with a population of 110,000 or more through which the Guadalupe River flows may impose a county hotel occupancy tax.

Section 352.003 would be amended by adding Subsection (v) to provide that the tax rate in a county authorized to impose the tax under Section 352.002(y) may not exceed seven percent of the price paid for a room in a hotel, except that the tax rate may not exceed two percent of the price paid for a room in a hotel if the hotel is located in: 1) a municipality that imposes a tax under Chapter 351 applicable to the hotel; or 2) the extraterritorial jurisdiction of a municipality that imposes a tax under Section 351.0025 applicable to the hotel.

This 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, 2019.

The bill would have no state revenue implications.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: WP, SZ, KK, SD