

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 10, 2019**

**TO:** Honorable Dustin Burrows, Chair, House Committee on Ways & Means

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

**IN RE:** SB1467 by Hughes (relating to the municipal hotel occupancy tax in certain municipalities.), **Committee Report 2nd House, Substituted**

<b>No fiscal implication to the State is anticipated.</b>
---

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

The bill would allow a municipality that has a population of not more than 1,500 and is located in a county that borders Arkansas and Louisiana to use revenue from the municipal hotel occupancy tax for the enhancement and upgrading of an existing sports facility or field regardless of whether the sports facility or field has been used in the preceding calendar year a combined total of more than 10 times for district, state, regional or national sports tournaments.

The bill would amend Section 351.1066 of the Tax Code, authorizing certain municipalities to use all or any portion of municipal hotel tax revenue for certain business recruitment projects or recreational facilities, to include as subject to the section a municipality that has a population of not more than 25,000, that contains a cultural heritage museum, and that is located in a county that borders the United Mexican States and the Gulf of Mexico.

The bill would have no state revenue implications.

The bill would take effect September 1, 2019.

**Local Government Impact**

The bill would change the authorized use of municipal hotel revenue in Queen City and San Benito but would not affect municipal hotel tax revenue collections.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** WP, KK