BILL ANALYSIS

BACKGROUND AND PURPOSE

Certain municipalities are entitled to receive revenue derived from the sales and use and, if applicable, mixed beverage taxes generated, paid, and collected from certain establishments such as bars, restaurants, and retail establishments related to a hotel and convention center in the municipality. It has been noted that this entitlement currently does not extend to the City of Lubbock. H.B. 4103 seeks to remedy this issue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 4103 amends the Tax Code to entitle a municipality with a population of 200,000 or more but less than 300,000 that contains a component institution of the Texas Tech University System to receive revenue derived from certain sales and use and, if applicable, mixed beverage taxes. These taxes are generated, paid, and collected from restaurants, bars, retail establishments, swimming pools, and swimming facilities owned or operated by the related qualified hotel, as that term is defined in other provisions of the Tax Code. The bill extends the deadline by which an applicable municipality must commence a qualified project, as that term is defined in other provisions of the Tax Code, in order to be entitled to receive the tax revenue derived from the sales and use and mixed beverage taxes generated, paid, and collected from a qualified establishment, as that term is defined in other provisions of the Tax Code, from August 31, 2023 to August 31, 2027.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2021.