By:  Frank H.B. No. 3501

A BILL TO BE ENTITLED

AN ACT

relating to limiting the assessment of certain fees and taxes during declared states of disaster.

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

SECTION 1.  Subchapter B, Chapter 418, Government Code, is amended by adding Section 418.0125 to read as follows:

Sec. 418.0125.  LIMIT ON ASSESSMENT OF FEES AND TAXES. (a) If the governor issues an executive order, proclamation, or regulation during a declared state of disaster that restricts the operation of a business or nonprofit entity or a category of businesses, a business or nonprofit entity whose operation is restricted by the order, proclamation, or regulation may not be assessed any tax or fee, including a licensing fee, by this state during the time the operation of the business or nonprofit entity is restricted by the order, proclamation, or regulation.

(b)  If a business or nonprofit entity paid an annual fee or other fee in advance to this state for the business's or nonprofit entity's operations, the business or nonprofit entity is entitled to a pro rata refund of the fee for the period of time its operations were restricted by an executive order, proclamation, or regulation of the governor described by Subsection (a).

(c)  A business or nonprofit entity may opt to have the amount of any refund due under this section credited toward a future fee requirement.

SECTION 2.  Subchapter E, Chapter 418, Government Code, is amended by adding Section 418.1081 to read as follows:

Sec. 418.1081.  LIMIT ON ASSESSMENT OF FEES AND TAXES DURING DECLARED LOCAL DISASTER. (a) If the presiding officer of the governing body of a political subdivision issues an order or proclamation during a declared local state of disaster that restricts the operation of a business or nonprofit entity or a category of businesses, a business or nonprofit entity whose operation is restricted by the order or proclamation may not be assessed any tax or fee, including a permit fee, by the political subdivision during the time the operation of the business or nonprofit entity is restricted by the order or proclamation.

(b)  If a business or nonprofit entity paid an annual fee or other fee in advance to a political subdivision for the business's or nonprofit entity's operations, the business or nonprofit entity is entitled to a pro rata refund of the fee for the period of time its operations were restricted by an order or proclamation of the political subdivision described by Subsection (a).

(c)  A business or nonprofit entity may opt to have the amount of any refund due under this section credited toward a future fee requirement.

SECTION 3.  This Act takes effect September 1, 2021.