

By: Morales of Maverick

H.B. No. 2172

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the hotel occupancy tax imposed by certain counties and
3 the use of revenue from that tax; reducing the maximum rate of that
4 tax; authorizing the imposition of a tax.

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

6 SECTION 1. Section 352.002, Tax Code, is amended by
7 amending Subsection (d) and adding Subsection (w) to read as
8 follows:

9 (d) The tax imposed by a county authorized by Subsection
10 (a)(6) [~~(a)(4), (6)~~], (8), (9), (10), (11), (14), (15), (17), (19),
11 (20), (21), (23), or (29) to impose the tax does not apply to a hotel
12 located in a municipality that imposes a tax under Chapter 351
13 applicable to the hotel. This subsection does not apply to:

14 (1) a county authorized by Subsection (a)(6) to impose
15 the tax that:

16 (A) has a population of less than 40,000 and
17 adjoins the most populous county in this state; or

18 (B) has a population of more than 200,000 and
19 borders the Neches River; or

20 (2) a county authorized by Subsection (a)(9) to impose
21 the tax that has a population of more than 9,000.

22 (w) A county with a population of more than 650,000 that is
23 adjacent to two counties, each of which has a population of more
24 than 1.8 million, may impose a tax as provided by Subsection (a).

1 SECTION 2. Section 352.003, Tax Code, is amended by adding
2 Subsection (y) to read as follows:

3 (y) The tax rate in a county authorized to impose the tax
4 under Section 352.002(a)(4) may not exceed two percent of the price
5 paid for a room in a hotel.

6 SECTION 3. Subchapter B, Chapter 352, Tax Code, is amended
7 by adding Section 352.114 to read as follows:

8 Sec. 352.114. USE OF REVENUE: CERTAIN COUNTIES CONTAINING
9 AN INDIAN RESERVATION. (a) In addition to the purposes authorized
10 by this chapter, the revenue from a tax imposed under this chapter
11 by a county authorized to impose the tax under Section
12 352.002(a)(4) may be used to make repairs and improvements to the
13 county airport or to provide reimbursement for repairs and
14 improvements to the airport.

15 (b) A county to which this section applies may not use
16 revenue from a tax imposed under this chapter for a purpose
17 described by Subsection (a) in a total amount that would exceed the
18 amount of hotel revenue in the county that is likely to be
19 reasonably attributable to guests traveling through the airport
20 during the 15-year period beginning on the date the county first
21 uses the tax revenue for that purpose.

22 (c) A county to which this section applies may not use
23 revenue from a tax imposed under this chapter for a purpose
24 described by Subsection (a) after the 10th anniversary of the date
25 the county first uses the revenue for that purpose.

26 SECTION 4. This Act takes effect September 1, 2021.