

By: Morales of Maverick

H.B. No. 4305

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the use of hotel occupancy tax revenue by certain  
3 counties and municipalities.

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

5 SECTION 1. Sections 351.10692(a) and (c), Tax Code, are  
6 amended to read as follows:

7 (a) This section applies only to:

8 (1) a municipality with a population of less than  
9 2,000 located in a county that:

10 (A) [~~(1)~~] is adjacent to the county in which the  
11 State Capitol is located; and

12 (B) [~~(2)~~] has a population of:

13 (i) [~~(A)~~] not more than 25,000; or

14 (ii) [~~(B)~~] at least 100,000 but not more  
15 than 200,000;

16 (2) a municipality located in a county with a total  
17 area of more than 6,000 square miles; and

18 (3) a municipality located in a county with a total  
19 area of more than 3,850 square miles but less than 4,000 square  
20 miles.

21 (c) A municipality that uses revenue from the municipal  
22 hotel occupancy tax for a purpose described by Subsection (b):

23 (1) shall make a good-faith estimate based on  
24 reasonable documentation of [~~determine~~] the annual amount of area

1 hotel revenue attributable to dark skies related events and  
2 activities [~~for five years after the date the municipality first~~  
3 ~~uses hotel occupancy tax revenue for a purpose described by~~  
4 ~~Subsection (b)~~]; and

5 (2) may not spend municipal hotel occupancy tax  
6 revenue for the purposes described by Subsection (b) in an annual [~~a~~  
7 ~~total~~] amount that exceeds the amount determined under Subdivision  
8 (1).

9 SECTION 2. Section [352.102](#), Tax Code, is amended by  
10 amending Subsection (c) and adding Subsection (d) to read as  
11 follows:

12 (c) A county that borders the Republic of Mexico and that is  
13 further described by Section [352.002\(a\)\(14\)](#):

14 (1) shall use at least one-third of the revenue  
15 collected each fiscal year from the tax imposed under this chapter  
16 for the purposes authorized by this chapter in unincorporated areas  
17 of the county; and

18 (2) may use revenue from the tax imposed under this  
19 chapter in the same manner that a municipality to which Section  
20 [351.10692](#) applies may use revenue from the municipal hotel  
21 occupancy tax under that section.

22 (d) A county that borders the United Mexican States and that  
23 is further described by Section [352.002\(a\)\(7\)](#) may use revenue from  
24 the tax imposed under this chapter in the same manner that a  
25 municipality to which Section [351.10692](#) applies may use revenue  
26 from the municipal hotel occupancy tax under that section.

27 SECTION 3. Section [351.1035](#), Tax Code, is repealed.

1           SECTION 4. This Act takes effect immediately if it receives  
2 a vote of two-thirds of all the members elected to each house, as  
3 provided by Section 39, Article III, Texas Constitution. If this  
4 Act does not receive the vote necessary for immediate effect, this  
5 Act takes effect September 1, 2021.