

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

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**April 10, 2021**

**TO:** Honorable Morgan Meyer, Chair, House Committee on Ways & Means

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB1764** by Guillen (Relating to authorizing certain counties to impose a hotel occupancy tax and the use of revenue from that tax.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend Chapter 352 of the Tax Code, regarding county hotel occupancy taxes.

Section 352.002 would be amended by adding Subsection (bb) to provide that the commissioners court of a county with a population of less than 60,000 in which an annual strawberry festival is held in a location that is not the county seat of the county may impose a county hotel occupancy tax.

Section 352.003 would be amended by adding Subsection (z) to provide that the tax rate in a county authorized to impose the tax under Section 352.002(bb) may not exceed two percent of the price paid for a room in a hotel.

Section 352.112 would be added to provide that the revenue from a tax imposed by a county authorized to impose the tax under Section 352.002(bb) may be used only for the construction, enlarging, equipping, improvement, maintenance, repairing, and operation of a civic center with an arena used for rodeos, livestock shows, and agricultural expositions to substantially enhance hotel activity and encourage tourism.

The bill would have no state revenue implications.

The bill would take effect September 1, 2021.

**Local Government Impact**

The bill would allow Atascosa County to impose a county hotel occupancy tax.

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

**LBB Staff:** JMc, KK, SD, BRI