

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 22, 2021

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB3217** by Harris (relating to the authority of certain counties to impose a hotel occupancy tax and the use of revenue from that tax.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 352 of the Tax Code, regarding county hotel occupancy taxes.

Section 352.002 would be amended by adding Subsection (cc) to provide that the commissioners court of a county with a population of more than 57,000 and less than 65,000 and that is bordered by the Neches and Trinity Rivers may impose a county hotel occupancy tax. The bill would amend Section 352.003 by adding Subsection (aa) to provide that the tax rate in a county authorized to impose the tax under Section 352.002(cc) may not exceed two percent of the price paid for a room in a hotel.

Section 352.1037 would be amended by adding Subsection (b) to provide that the revenue from a tax imposed by a county authorized to impose the tax under Section 352.002(cc) may be used to repair and renovate a civic center owned by the county in addition to other purposes authorized by the chapter.

The bill would have no state revenue implications.

The bill would take effect September 1, 2021.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts

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