88R12471 CJD-F

By:  LaMantia S.B. No. 2007

A BILL TO BE ENTITLED

AN ACT

relating to the use of the revenue derived from the municipal hotel occupancy tax by certain municipalities and to the rate at which that tax is imposed by those municipalities.

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

SECTION 1.  Section 351.001(7), Tax Code, is amended to read as follows:

(7)  "Eligible central municipality" means:

(A)  a municipality with a population of more than 140,000 but less than 1.5 million that is located in a county with a population of one million or more and that has adopted a capital improvement plan for the construction or expansion of a convention center facility;

(B)  a municipality with a population of 250,000 or more that:

(i)  is located wholly or partly on a barrier island that borders the Gulf of Mexico;

(ii)  is located in a county with a population of 300,000 or more; and

(iii)  has adopted a capital improvement plan to expand an existing convention center facility;

(C)  a municipality with a population of 116,000 or more that:

(i)  is located in two counties both of which have a population of 660,000 or more; and

(ii)  has adopted a capital improvement plan for the construction or expansion of a convention center facility;

(D)  a municipality with a population of less than 50,000 that contains a general academic teaching institution that is not a component institution of a university system, as those terms are defined by Section 61.003, Education Code; [~~or~~]

(E)  a municipality with a population of 640,000 or more that:

(i)  is located on an international border; and

(ii)  has adopted a capital improvement plan for the construction or expansion of a convention center facility; or

(F)  a municipality that has a population of at least 70,000 but not more than 180,000 and that is located in a county that borders the United Mexican States and the Gulf of Mexico.

SECTION 2.  Section 351.003, Tax Code, is amended by adding Subsection (g) to read as follows:

(g)  The rate in a municipality described by Section 351.001(7)(F) may not exceed nine percent of the price paid for a room. The municipality shall allocate for the construction, expansion, maintenance, financing, operation, or debt service of a convention center or multiuse facility all revenue received by the municipality that is derived from the application of the tax at a rate of more than seven percent of the price paid for a room in a hotel.

SECTION 3.  Section 351.101, Tax Code, is amended by adding Subsection (t) to read as follows:

(t)  In addition to other authorized uses, a municipality described by Section 351.001(7)(F) may use revenue from the municipal hotel occupancy tax to pay costs associated with the construction, expansion, maintenance, financing, operation, or debt service of a convention center or multiuse facility.

SECTION 4.  This Act takes effect September 1, 2023.