

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

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**March 11, 2023**

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

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

**IN RE: HB1689** by Murr (Relating to the use of county hotel occupancy tax revenue for an electronic tax administration system and the reimbursement of tax collection expenses.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

The bill would amend Chapter 352 of the Tax Code, relating to Reimbursement for Tax Collection Expenses, to authorize a county to spend not more than the lesser of \$75,000 or one percent of the revenue from the county hotel occupancy tax during the year for the creation, maintenance, operation, and administration of an electronic tax administration system to administer the county hotel occupancy tax. The bill would authorize a county to contract with a third party for the creation, maintenance, operation, or administration of an electronic tax administration system.

The bill would require the county to permit a person who is required to collect and pay the tax to withhold not more than one percent of the amount of the tax collected as reimbursement for the cost of collecting the tax if the county uses revenue from the county hotel occupancy tax for an electronic tax administration system to administer the hotel tax.

**Source Agencies:**

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