

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 25, 2023

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3453 by Jetton (Relating to authorizing certain counties to impose a hotel occupancy tax and the applicability and rates of that tax in certain counties.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

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

The bill would amend Section 352.002 by adding Subsection (ee) to authorize the commissioners court of a county with a population of 800,000 or more that is adjacent to a county with a population of four million or to impose a county hotel occupancy tax. The bill would add Section 352.003(bb) to state that the county's hotel occupancy tax rate may not exceed seven percent of price paid for a room in a hotel and that it may not exceed two percent of the price paid for a room in a hotel if the hotel is located in the jurisdiction of a municipality that imposes a hotel occupancy tax.

The bill would have no state revenue implications.

Local Government Impact

The bill would apply to Fort Bend County.

Source Agencies:

LBB Staff: JMc, SD, CMA, MOc, KK, BRI