

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 30, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB5105 by Stucky (Relating to authorizing certain counties to impose a hotel occupancy tax and the use of revenue from that tax.), **As Introduced**

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 352.003 by adding Subsection (v) to authorize the commissioners court of a county with a population of more than 650,000 that is adjacent to two counties, each having a population of more than 1.8 million to impose a hotel occupancy tax of not more than 2.0 percent of the price paid for the room. The county would be prohibited from imposing the tax on a hotel project that resides on a contiguous property in more than one county. The bill would add Section 352.115 to specify that the revenue from the tax in this county could only be used for the development, construction, maintenance, and improvement of multipurpose facilities to enhance hotel activity and encourage tourism.

The bill would have no state revenue implications.

Local Government Impact

The bill would affect Denton County.

Source Agencies:

LBB Staff: JMc, KK, SD, BRI