

SENATE AMENDMENTS

2nd Printing

By: Jetton

H.B. No. 3453

A BILL TO BE ENTITLED

AN ACT

relating to authorizing certain counties to impose a hotel occupancy tax, the applicability and rates of that tax in certain counties, and the use of revenue from that tax.

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

SECTION 1. Section 352.002, Tax Code, is amended by adding Subsection (ee) to read as follows:

(ee) The commissioners court of a county that has a population of 800,000 or more and is adjacent to a county with a population of four million or more may impose a tax as provided by Subsection (a).

SECTION 2. Section 352.003, Tax Code, is amended by adding Subsection (bb) to read as follows:

(bb) The tax rate in a county authorized to impose the tax under Section 352.002(ee) may not exceed seven percent of the price paid for a room in a hotel, except that the tax rate may not exceed two percent of the price paid for a room in a hotel if the hotel is located in:

(1) a municipality that imposes a tax under Chapter 351 applicable to the hotel; or

(2) the extraterritorial jurisdiction of a municipality that imposes a tax under Section 351.0025 applicable to the hotel.

SECTION 3. Subchapter B, Chapter 352, Tax Code, is amended

1 by adding Section 352.115 to read as follows:

2 Sec. 352.115. USE OF REVENUE: CERTAIN COUNTIES ADJACENT TO
3 POPULOUS COUNTIES. In addition to the purposes authorized by this
4 chapter, the revenue from a tax imposed under this chapter by a
5 county authorized to impose the tax under Section 352.002(ee) may
6 be used to construct, maintain, and operate a multi-event sports
7 and entertainment venue that substantially increases regional
8 sporting events and related economic activity at hotels in the
9 county.

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

ADOPTED

MAY 24 2023

H. B. No. 3453
Secretary of the Senate

By: _____

Substitute the following for H. B. No. 3453:

By: _____

C.S. H. B. No. 3453

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3 occupancy tax and the applicability and rates of that tax in certain
4 counties.

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6 SECTION 1. Section 352.002, Tax Code, is amended by adding
7 Subsection (ee) to read as follows:

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9 population of 800,000 or more and is adjacent to a county with a
10 population of four million or more may impose a tax as provided by
11 Subsection (a).

12 SECTION 2. Section 352.003, Tax Code, is amended by adding
13 Subsection (bb) to read as follows:

14 (bb) The tax rate in a county authorized to impose the tax
15 under Section 352.002(ee) may not exceed seven percent of the price
16 paid for a room in a hotel, except that the tax rate may not exceed
17 two percent of the price paid for a room in a hotel if the hotel is
18 located in:

19 (1) a municipality that imposes a tax under Chapter
20 351 applicable to the hotel; or

21 (2) the extraterritorial jurisdiction of a
22 municipality that imposes a tax under Section 351.0025 applicable
23 to the hotel.

24 SECTION 3. This Act takes effect September 1, 2023.

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 more 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

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 18, 2023

TO: Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources & Economic Development

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.), **Committee Report 2nd 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.

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, CMA, MOc, KK, BRI, SD

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 15, 2023

TO: Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3453 by Jetton (Relating to authorizing certain counties to impose a hotel occupancy tax, the applicability and rates of that tax in certain counties, and the use of revenue from that tax.), **As Engrossed**

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 add Section 352.115 to authorize the county to use the revenue from the county hotel occupancy tax to construct, maintain, and operate a multi-event sports and entertainment venue that substantially increases regional sporting events and related economic activity at hotels in the county.

The bill would have no state revenue implications.

Local Government Impact

The bill would apply to Fort Bend County.

Source Agencies:

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

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 19, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3453 by Jetton (relating to authorizing certain counties to impose a hotel occupancy tax, the applicability and rates of that tax in certain counties, 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.

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 more 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 add Section 352.115 to authorize the county to use the revenue from the county hotel occupancy tax to construct, maintain, and operate a multi-event sports and entertainment venue that substantially increases regional sporting events and related economic activity at hotels in the county.

The bill would have no state revenue implications.

Local Government Impact

The bill would apply to Fort Bend County.

Source Agencies:

LBB Staff: JMc, KK, BRI, SD

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 1, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3453 by Jetton (Relating to authorizing certain counties to impose a hotel occupancy tax, the applicability and rates of that tax in certain counties, 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 352.002 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 more 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 add Section 352.115 to authorize the county to use the revenue from the county hotel occupancy tax to construct, maintain, and operate a multi-event sports and entertainment venue.

The bill would have no state revenue implications.

Local Government Impact

The bill would apply to Fort Bend County.

Source Agencies:

LBB Staff: JMc, KK, SD, BRI

LEGISLATIVE BUDGET BOARD

Austin, Texas

TAX/FEE EQUITY NOTE

88TH LEGISLATIVE REGULAR SESSION

April 19, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3453 by Jetton (relating to authorizing certain counties to impose a hotel occupancy tax, the applicability and rates of that tax in certain counties, and the use of revenue from that tax.),
Committee Report 1st House, Substituted

No statistically significant impact on the overall distribution of a state tax or fee burden among individuals and businesses is anticipated from the provisions of this bill.

Source

Agencies:

LBB Staff: JMc, KK

LEGISLATIVE BUDGET BOARD

Austin, Texas

TAX/FEE EQUITY NOTE

88TH LEGISLATIVE REGULAR SESSION

April 1, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3453 by Jetton (Relating to authorizing certain counties to impose a hotel occupancy tax, the applicability and rates of that tax in certain counties, and the use of revenue from that tax.), **As Introduced**

No statistically significant impact on the overall distribution of a state tax or fee burden among individuals and businesses is anticipated from the provisions of this bill.

Source

Agencies:

LBB Staff: JMc, KK