

House Bill 3727
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. Sections 351.001(2), (6), (8), and (10), Tax Code, are amended to read as follows:

(2) "Convention center facilities" or "convention center complex" means facilities that are primarily used to host conventions and meetings. The term means civic centers, civic center buildings, auditoriums, exhibition halls, and coliseums that are owned by the municipality or other governmental entity or that are managed in whole or part by the municipality. In a municipality with a population of 1.5 million or more, "convention center facilities" or "convention center complex" means civic centers, civic center buildings, auditoriums, exhibition halls, and coliseums that are owned by the municipality or other governmental entity or that are managed in part by the municipality, hotels owned by the municipality or a nonprofit municipally sponsored local government corporation created under Chapter 431, Transportation Code, within 1,000 feet of a convention center owned by the municipality, or a historic hotel owned by the municipality or a nonprofit municipally sponsored local government corporation created under Chapter 431, Transportation Code, within one mile of a convention center owned by the municipality. The term includes parking areas or facilities that are for the parking or storage of conveyances and that are located at or within 1,500 feet of the [~~in the vicinity of other~~] convention center facilities. The term also includes a hotel owned by or located on land that is owned by an eligible central municipality or by a nonprofit corporation acting on behalf of an eligible central municipality and that is located within 1,000 feet of a convention center facility owned by the municipality. The term also includes a hotel that is owned in part by an eligible central municipality described by Subdivision (7)(D) and that is located within 1,000 feet of a

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convention center facility. For purposes of this subdivision, "meetings" means gatherings ~~[of people]~~ that:

(A) are attended by:

(i) tourists; or

(ii) individuals who spend the night at a hotel or attend a meeting at a hotel; and

(B) enhance and promote tourism and the convention and hotel industry.

(6) "Tourist" means an individual who travels from the individual's residence to a different municipality, county, state, or country for business, pleasure, recreation, education, or culture.

(8) "Visitor information center" or "tourism information center" means a building or a portion of a building that is primarily used to distribute or disseminate information to tourists.

(10) "Multiuse facility" means a facility at which the majority of events attract tourists who substantially increase economic activity at hotels in the municipality in which the facility is located. [~~"Revenue" includes any interest derived from the revenue.~~]

SECTION 2. Section 351.009, Tax Code, is amended to read as follows:

Sec. 351.009. ANNUAL REPORT TO COMPTROLLER.

(a) Not later than March 1 ~~[February 20]~~ of each year, a municipality that imposes the tax authorized by this chapter shall report to the comptroller:

(1) the rate of:

(A) the tax imposed by the municipality under this chapter; and

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(B) if applicable, the tax imposed by the municipality under Subchapter H, Chapter 334, Local Government Code;

(2) the amount of revenue collected during the municipality's preceding fiscal year from:

(A) the tax imposed by the municipality under this chapter; and

(B) if applicable, the tax imposed by the municipality under Subchapter H, Chapter 334, Local Government Code; ~~and~~

(3) the amount and percentage of the revenue described by Subdivision (2)(A) allocated by the municipality to each use authorized by this chapter for which the municipality used the revenue ~~[described by Sections 351.101(a)(1), (2), (3), (4), (5), and (9)]~~ during the municipality's preceding fiscal year, stated separately as an amount and percentage for each applicable use; and

(4) the total amount of any revenue described by Subdivision (2)(A) collected in any preceding fiscal year of the municipality that has not yet been spent by the municipality and the amount of that unexpended revenue, if any, that remains in the municipality's possession in the fiscal year in which the report is due ~~[of those subdivisions]~~.

(b) The municipality must make the report required by this section by[:

~~(1)~~ submitting the report to the comptroller on a form prescribed by the comptroller[; or

~~(2)~~ providing the comptroller a direct link to, or a clear statement describing the location of, the information required to be reported that is posted on the Internet website of the municipality].

(c) ~~The~~ ~~[Subject to Subsection (b)(2), the]~~ comptroller shall prescribe the form a municipality must use for the report required to be submitted under this section.

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(d) A municipality that is required to make a report to the comptroller under this section may use a portion of the revenue described by Subsection (a)(2)(A) for the costs incurred by the municipality in making and submitting the report. The amount of revenue a municipality may use each year for the purpose authorized by this subsection may not exceed:

(1) \$1,000 if the municipality has a population of less than 10,000; or

(2) \$2,500 if the municipality has a population of 10,000 or more.

(e) The comptroller may adopt rules necessary to administer this section.

SECTION 3. Section 351.101, Tax Code, is amended by adding Subsection (f-1) to read as follows:

(f-1) A municipality may not use municipal hotel occupancy tax revenue for a visitor information center under Subsection (a)(1) to acquire a site for, construct, improve, enlarge, equip, repair, staff, operate, or maintain any part of a building or facility that is not primarily used to distribute or disseminate tourism-related information to tourists.

SECTION 4. Section 351.1021(a)(3), Tax Code, is amended to read as follows:

(3) "Multipurpose convention center facility project" means a project that consists of a hotel owned by an eligible municipality or another person and a multipurpose convention center facility, the nearest exterior wall of which is located not more than 2,500 feet from the nearest exterior wall of the

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SECTION 3. Same as House version.

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hotel. A multipurpose convention center facility project may include:

(A) each new or existing business located in the municipality, regardless of who owns the business or the property on which the business is located, the nearest exterior wall of which is located not more than 2,500 feet from the nearest exterior wall of the multipurpose convention center facility or the hotel that is part of the project;

(B) a parking shuttle or transportation system used primarily by tourists; and

(C) any parking area or structure located in the municipality, regardless of who owns the area or structure or the property on which the area or structure is located, the nearest property line of which is located not more than two miles from the nearest exterior wall of the multipurpose convention center facility.

SECTION 5. Sections 351.103(a), (b), and (c), Tax Code, are amended to read as follows:

(a) A municipality [~~At least 50 percent of the hotel occupancy tax revenue collected by a municipality with a population of 200,000 or greater must be allocated for the purposes provided by Section 351.101(a)(3). For municipalities~~] with a population of less than 200,000 shall allocate [~~allocations~~] for the purposes provided by Section 351.101(a)(3) an amount of hotel occupancy tax revenue collected by the municipality that is [~~are as follows~~]:

[~~(1) if the tax rate in a municipality is not more than three percent of the cost paid for a room, not less than the amount of revenue received by the municipality from the tax at a rate of one half of one percent of the cost of the room; or~~

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~~[(2) if the tax in a municipality exceeds three percent of the cost of a room,] not less than the amount of revenue received by the municipality from the tax at a rate of one percent of the cost of a room. [This subsection does not apply to a municipality, regardless of population, that before October 1, 1989, adopted an ordinance providing for the allocation of an amount in excess of 50 percent of the hotel occupancy tax revenue collected by the municipality for one or more specific purposes provided by Section 351.101(a)(1) until the ordinance is repealed or expires or until the revenue is no longer used for those specific purposes in an amount in excess of 50 percent of the tax revenue.]~~

~~(b) A [Subsection (a) does not apply to a municipality in a fiscal year of the municipality if the total amount of hotel occupancy tax collected by the municipality in the most recent calendar year that ends at least 90 days before the date the fiscal year begins exceeds \$2 million. A municipality excepted from the application of Subsection (a) by this subsection shall allocate hotel occupancy tax revenue by ordinance, consistent with the other limitations of this section. The portion of the tax revenue allocated by a] municipality with a population of more than 1.6 million shall allocate at least 23 percent of the hotel occupancy tax revenue collected by the municipality for the purposes provided by Section 351.101(a)(3) ~~[may not be less than 23 percent]~~, except that the allocation is subject to and may not impair the authority of the municipality to:~~

- ~~(1) pledge all or any portion of that tax revenue to the payment of bonds as provided by Section 351.102(a) or bonds issued to refund bonds secured by that pledge; or~~
- ~~(2) spend all or any portion of that tax revenue for the payment of operation and maintenance expenses of~~

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convention center facilities.

(c) Not more than 15 percent of the hotel occupancy tax revenue collected by a municipality, other than a municipality having a population of more than 1.6 million, or the amount of tax received by the municipality at the rate of one percent of the cost of a room, whichever is greater, may be used for the purposes provided by Section 351.101(a)(4). Not more than 19.30 percent of the hotel occupancy tax revenue collected by a municipality having a population of more than 1.6 million, or the amount of tax received by the municipality at the rate of one percent of the cost of a room, whichever is greater, may be used for the purposes provided by Section 351.101(a)(4). Not more than 15 percent of the hotel occupancy tax revenue collected by a municipality [~~having a population of more than 125,000~~] may be used for the purposes provided by Section 351.101(a)(5). A municipality that before January 1, 2023, adopted in accordance with state law an ordinance providing for the allocation of an amount in excess of 15 percent of the hotel occupancy tax revenue collected by the municipality for one or more of the specific purposes provided by Section 351.101(a)(5) may allocate tax revenue as provided by that ordinance until the ordinance is repealed or expires or until the revenue is no longer used for those specific purposes.

SECTION 6. Section 351.110(c), Tax Code, is amended to read as follows:

(c) This section does not authorize the use of revenue derived from the tax imposed under this chapter for a transportation system that serves the general public other than for a system [~~that transports tourists as~~] described by Subsection (a) that is primarily used by tourists.

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No equivalent provision.

SECTION __. Section 351.152, Tax Code, is amended to read as follows:

Sec. 351.152. APPLICABILITY. This subchapter applies only to:

- (1) a municipality described by Section 351.001(7)(B);
- (2) a municipality described by Section 351.001(7)(D);
- (3) a municipality described by Section 351.001(7)(E);
- (4) a municipality described by Section 351.102(e)(3);
- (5) a municipality that contains more than 75 percent of the population of a county with a population of 1.5 million or more;
- (6) a municipality with a population of 150,000 or more but less than 200,000 that is partially located in at least one county with a population of 125,000 or more;
- (7) a municipality with a population of 150,000 or more but less than one million that is located in one county with a population of 2.3 million or more;
- (8) a municipality with a population of 180,000 or more that:
 - (A) is located in two counties, each with a population of 100,000 or more; and
 - (B) contains an American Quarter Horse Hall of Fame and Museum;
- (9) a municipality with a population of 96,000 or more that is located in a county that borders Lake Palestine;
- (10) a municipality with a population of 96,000 or more that is located in a county that contains the headwaters of the San Gabriel River;
- (11) a municipality with a population of 99,900 or more but less than 111,000 that is located in a county with a population of 135,000 or more;

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- (12) a municipality with a population of 110,000 or more but less than 135,000 at least part of which is located in a county with a population of less than 135,000;
- (13) a municipality with a population of 9,000 or more but less than 10,000 that is located in two counties, each of which has a population of 662,000 or more and a southern border with a county with a population of 2.3 million or more;
- (14) a municipality with a population of 200,000 or more but less than 300,000 that contains a component institution of the Texas Tech University System;
- (15) a municipality with a population of 95,000 or more that:
 - (A) is located in more than one county; and
 - (B) borders Lake Lewisville;
- (16) a municipality with a population of 45,000 or more that:
 - (A) contains a portion of Cedar Hill State Park;
 - (B) is located in two counties, one of which has a population of two million or more and one of which has a population of 149,000 or more; and
 - (C) has adopted a capital improvement plan for the construction or expansion of a convention center facility;
- (17) a municipality with a population of less than 6,000 that:
 - (A) is almost wholly located in a county with a population of 600,000 or more that is adjacent to a county with a population of two million or more;
 - (B) is partially located in a county with a population of 1.8 million or more that is adjacent to a county with a population of two million or more;
 - (C) has a visitor center and museum located in a 19th-century rock building in the municipality's downtown; and
 - (D) has a waterpark open to the public;
- (18) a municipality with a population of 56,000 or more that:
 - (A) borders Lake Ray Hubbard; and

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(B) is located in two counties, one of which has a population of less than 80,000;

(19) a municipality with a population of 83,000 or more that:

(A) borders Clear Lake; and

(B) is primarily located in a county with a population of less than 300,000;

(20) a municipality with a population of less than 2,000 that:

(A) is located adjacent to a bay connected to the Gulf of Mexico;

(B) is located in a county with a population of 290,000 or more that is adjacent to a county with a population of four million or more; and

(C) has a boardwalk on the bay;

(21) a municipality with a population of 75,000 or more that:

(A) is located wholly in one county with a population of 575,000 or more that is adjacent to a county with a population of four million or more; and

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

(22) a municipality with a population of less than 75,000 that is located in three counties, at least one of which has a population of four million or more;

(23) an eligible coastal municipality with a population of 3,000 or more but less than 5,000;

(24) a municipality with a population of 90,000 or more but less than 150,000 that:

(A) is located in three counties; and

(B) contains a branch campus of a component institution of the University of Houston System;

(25) a municipality that is:

(A) primarily located in a county with a population of four million or more; and

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- (B) connected by a bridge to a municipality described by Subdivision (20);
- (26) a municipality with a population of 20,000 or more but less than 25,000 that:
 - (A) contains a portion of Mustang Bayou; and
 - (B) is wholly located in a county with a population of less than 500,000;
- (27) a municipality with a population of 70,000 or more but less than 90,000 that is located in two counties, one of which has a population of four million or more and the other of which has a population of less than 50,000;
- (28) a municipality with a population of 10,000 or more that:
 - (A) is wholly located in a county with a population of four million or more; and
 - (B) has a city hall located less than three miles from a space center operated by an agency of the federal government;
- (29) a municipality that is the county seat of a county:
 - (A) through which the Pedernales River flows; and
 - (B) in which the birthplace of a president of the United States is located;
- (30) a municipality that contains a portion of U.S. Highway 79 and State Highway 130;
- (31) a municipality with a population of 48,000 or more but less than 95,000 that is located in two counties, one of which has a population of 900,000 or more but less than 1.7 million;
- (32) a municipality with a population of less than 25,000 that contains a museum of Western American art;
- (33) a municipality with a population of 50,000 or more that is the county seat of a county that contains a portion of the Sam Houston National Forest;
- (34) a municipality with a population of less than 25,000 that:
 - (A) contains a cultural heritage museum; and

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- (B) is located in a county that borders the United Mexican States and the Gulf of Mexico;
- (35) a municipality that is the county seat of a county that:
 - (A) has a population of 115,000 or more;
 - (B) is adjacent to a county with a population of 1.8 million or more; and
 - (C) hosts an annual peach festival;
- (36) a municipality that is the county seat of a county that:
 - (A) has a population of 585,000 or more; and
 - (B) is adjacent to a county with a population of four million or more;
- (37) a municipality with a population of less than 10,000 that:
 - (A) contains a component university of The Texas A&M University System; and
 - (B) is located in a county adjacent to a county that borders Oklahoma;
- (38) a municipality with a population of less than 6,100 that:
 - (A) is located in two counties, each of which has a population of 600,000 or more but less than two million; and
 - (B) hosts an annual Cajun Festival;
- (39) a municipality with a population of 13,000 or more that:
 - (A) is located on an international border; and
 - (B) is located in a county:
 - (i) with a population of less than 400,000; and
 - (ii) in which at least one World Birding Center site is located;
- (40) a municipality with a population of 4,000 or more that:
 - (A) is located on an international border; and
 - (B) is located not more than five miles from a state historic site that serves as a visitor center for a state park that contains 300,000 or more acres of land;
- (41) a municipality with a population of 36,000 or more that is adjacent to at least two municipalities described by

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Subdivision (15);

(42) a municipality with a population of 28,000 or more in which is located a historic railroad depot and heritage center;

(43) a municipality located in a county that has a population of not more than 300,000 and in which a component university of the University of Houston System is located;

(44) a municipality with a population of less than 500,000 that is:

(A) located in two counties; and

(B) adjacent to a municipality described by Subdivision (31);

~~and~~

(45) a municipality that:

(A) has a population of more than 67,000; and

(B) is located in two counties with 90 percent of the municipality's territory located in a county with a population of at least 580,000, and the remaining territory located in a county with a population of at least four million; and

(46) a municipality that is the county seat of a county:

(A) through which the Brazos River flows; and

(B) in which a national monument is located. [FA1]

SECTION 7. Subchapter C, Chapter 351, Tax Code, is amended by adding Sections 351.161, 351.162, and 351.163 to read as follows:

Sec. 351.161. APPLICATION OF OTHER LAW. This subchapter may not be construed as authorizing the taking of private property for economic development purposes in a manner inconsistent with the requirements of Section 17, Article I, Texas Constitution, or Section 2206.001, Government Code.

Sec. 351.162. RECAPTURE OF LOST STATE TAX

SECTION 7. Subchapter C, Chapter 351, Tax Code, is amended by adding Sections 351.161, 351.162, and 351.163 to read as follows:

Sec. 351.161. APPLICATION OF OTHER LAW. This subchapter may not be construed as authorizing the taking of private property for economic development purposes in a manner inconsistent with the requirements of Section 17, Article I, Texas Constitution, or Section 2206.001, Government Code.

Sec. 351.162. RECAPTURE OF LOST STATE TAX

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REVENUE FROM CERTAIN MUNICIPALITIES. (a) This section applies only to a qualified project that is first commenced on or after:

- (1) January 1, 2024, unless Subdivision (2) applies to the qualified project; or
- (2) January 1, 2027, if the qualified project was authorized before January 1, 2023, by a municipality with a population of 175,000 or more.

(b) On the 20th anniversary of the date a hotel designated as a qualified hotel by a municipality as part of a qualified project to which this section applies is open for initial occupancy, the comptroller shall determine:

- (1) the total amount of state tax revenue received under Section 351.156 and, if applicable, under Section 351.157 by the municipality from the qualified project during the period for which the municipality was entitled to receive that revenue; and
- (2) the total amount of state tax revenue described by Subdivision (1) received by the state during the period beginning on the 10th anniversary of the date the qualified hotel opened for initial occupancy and ending on the 20th anniversary of that date from the same sources from which the municipality received the revenue described by Subdivision (1).

(c) If the amount determined under Subsection (b)(1) exceeds the amount determined under Subsection (b)(2), the comptroller shall promptly provide written notice to the

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REVENUE FROM CERTAIN MUNICIPALITIES. (a) This section:

(1) applies only to a qualified project that is first commenced on or after:

- (A) January 1, 2024, unless Paragraph (B) applies to the qualified project; or
- (B) January 1, 2027, if the qualified project was authorized before January 1, 2023, by a municipality with a population of 175,000 or more; and

(2) notwithstanding Subdivision (1), does not apply to a qualified project that is the subject of an economic development agreement authorized by Chapter 380, Local Government Code, entered into on or before January 1, 2022.

(b) On the 20th anniversary of the date a hotel designated as a qualified hotel by a municipality as part of a qualified project to which this section applies is open for initial occupancy, the comptroller shall determine:

- (1) the total amount of state tax revenue received under Section 351.156 and, if applicable, under Section 351.157 by the municipality from the qualified project during the period for which the municipality was entitled to receive that revenue; and
- (2) the total amount of state tax revenue described by Subdivision (1) received by the state during the period beginning on the 10th anniversary of the date the qualified hotel opened for initial occupancy and ending on the 20th anniversary of that date from the same sources from which the municipality received the revenue described by Subdivision (1).

(c) If the amount determined under Subsection (b)(1) exceeds the amount determined under Subsection (b)(2), the comptroller shall promptly provide written notice to the

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municipality stating that the municipality must remit to the comptroller the difference between those two amounts in the manner provided by this subsection. The municipality shall, using money lawfully available to the municipality for the purpose, remit monthly payments to the comptroller in an amount equal to the total amount of municipal hotel occupancy tax revenue received by the municipality from the qualified hotel in the preceding month until the amount remitted to the comptroller equals the total amount due as stated in the notice. The first payment required under this subsection must be made not later than the 30th day after the date the municipality receives the notice from the comptroller. Subsequent payments are due on the 20th day of each month until the total amount stated in the notice is paid. The comptroller shall prescribe the procedure a municipality must use to remit a payment required by this subsection to the comptroller.

(d) The comptroller shall deposit revenue received under this section in the manner prescribed by Section 156.251.

Sec. 351.163. REPORT ON QUALIFIED PROJECTS. (a) Not later than December 1 of each even-numbered year, the comptroller shall prepare a report on the status of each qualified project.

(b) The report must include, for each qualified project:

(1) the location and a description of the project, including the current status of the project;

(2) the number of qualified hotels and qualified convention center facilities associated with the project;

(3) the total amount of tax revenue received by a municipality under Section 351.156 and, if applicable, Section 351.157 as a result of the project;

(4) the amount of state tax revenue generated by the project

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municipality stating that the municipality must remit to the comptroller the difference between those two amounts in the manner provided by this subsection. The municipality shall, using money lawfully available to the municipality for the purpose, remit monthly payments to the comptroller in an amount equal to the total amount of municipal hotel occupancy tax revenue received by the municipality from the qualified hotel in the preceding month until the amount remitted to the comptroller equals the total amount due as stated in the notice. The first payment required under this subsection must be made not later than the 30th day after the date the municipality receives the notice from the comptroller. Subsequent payments are due on the 20th day of each month until the total amount stated in the notice is paid. The comptroller shall prescribe the procedure a municipality must use to remit a payment required by this subsection to the comptroller.

(d) The comptroller shall deposit revenue received under this section in the manner prescribed by Section 156.251.

Sec. 351.163. REPORT ON QUALIFIED PROJECTS. (a) Not later than December 1 of each even-numbered year, the comptroller shall prepare a report on the status of each qualified project.

(b) The report must include, for each qualified project:

(1) the location and a description of the project, including the current status of the project;

(2) the number of qualified hotels and qualified convention center facilities associated with the project;

(3) the total amount of tax revenue received by a municipality under Section 351.156 and, if applicable, Section 351.157 as a result of the project;

(4) the amount of state tax revenue generated by the project

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that has been received by the state after the period of entitlement for the project as prescribed by Section 351.158 has ended; and

(5) whether the municipality is required to remit payments to the comptroller under Section 351.162 as a result of the project.

(c) The comptroller may include in the report any additional information the comptroller determines is necessary to evaluate the effect of each qualified project on the economy of this state.

(d) The comptroller shall:

(1) post a copy of the report on the comptroller's Internet website; and

(2) provide a copy of the report to the lieutenant governor, the speaker of the house of representatives, and each other member of the legislature.

SECTION 8. Section 352.009, Tax Code, is amended to read as follows:

Sec. 352.009. ANNUAL REPORT TO COMPTROLLER.

(a) Not later than March 1 [~~February 20~~] of each year, a county that imposes the tax authorized by this chapter shall report to the comptroller:

(1) the rate of:

(A) the tax imposed by the county under this chapter; and

(B) if applicable, the tax imposed by the county under Subchapter H, Chapter 334, Local Government Code; [~~and~~]

(2) the amount of revenue collected during the county's preceding fiscal year from:

(A) the tax imposed by the county under this chapter; and

(B) if applicable, the tax imposed by the county under

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that has been received by the state after the period of entitlement for the project as prescribed by Section 351.158 has ended; and

(5) whether the municipality is required to remit payments to the comptroller under Section 351.162 as a result of the project.

(c) The comptroller may include in the report any additional information the comptroller determines is necessary to evaluate the effect of each qualified project on the economy of this state.

(d) The comptroller shall:

(1) post a copy of the report on the comptroller's Internet website; and

(2) provide a copy of the report to the lieutenant governor, the speaker of the house of representatives, and each other member of the legislature.

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Subchapter H, Chapter 334, Local Government Code;

(3) the amount and percentage of the revenue described by Subdivision (2)(A) allocated by the county to each use authorized by this chapter for which the county used the revenue during the county's preceding fiscal year, stated separately as an amount and percentage for each applicable use; and

(4) the total amount of any revenue described by Subdivision (2)(A) collected in any preceding fiscal year of the county that has not yet been spent by the county and the amount of that unexpended revenue, if any, that remains in the county's possession in the fiscal year in which the report is due.

(b) The county must make the report required by this section by[~~;~~

~~[(1)] submitting the report to the comptroller on a form prescribed by the comptroller[~~;~~or~~

~~[(2) providing the comptroller a direct link to, or a clear statement describing the location of, the information required to be reported that is posted on the Internet website of the county].~~

(c) ~~The [Subject to Subsection (b)(2), the]~~ comptroller shall prescribe the form a county must use for the report required to be submitted under this section.

(d) A county that is required to make a report to the comptroller under this section may use a portion of the revenue described by Subsection (a)(2)(A) for the costs incurred by the county in making and submitting the report. The amount of revenue a county may use each year for the purpose authorized by this subsection may not exceed:

(1) \$1,000 if the county has a population of less than 10,000;

or

(2) \$2,500 if the county has a population of 10,000 or more.

House Bill 3727
Senate Amendments
Section-by-Section Analysis

HOUSE VERSION

SENATE VERSION (IE)

CONFERENCE

(e) The comptroller may adopt rules necessary to administer this section.

SECTION 9. The following provisions of the Tax Code are repealed:

- (1) Sections 351.103(d) and (e); and
- (2) Section 351.110(b).

SECTION 10. The comptroller of public accounts shall prescribe the form of the report required under Sections 351.009 and 352.009, Tax Code, as amended by this Act, not later than January 1, 2024. A municipality or county required to make a report under those sections must submit the 2024 report using the form prescribed by the comptroller under this section.

SECTION 11. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2023.

SECTION 9. Same as House version.

SECTION 10. Same as House version.

SECTION 11. Same as House version.