

By: Frank

H.B. No. 3567

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to authorizing certain counties to impose a hotel  
3 occupancy tax and the use of revenue from that tax.

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

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

7 (jj) The commissioners court of a county that has a  
8 population of more than 125,000, borders the Red River, and has a  
9 county seat with a population of more than 100,000 may impose a tax  
10 as provided by Subsection (a). This subsection expires September  
11 1, 2030.

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

14 (ff) The tax rate in a county authorized to impose the tax  
15 under Section 352.002(jj) may not exceed two percent of the price  
16 paid for a room in a hotel. This subsection expires September 1,  
17 2030.

18 SECTION 3. Subchapter B, Chapter 352, Tax Code, is amended  
19 by adding Section 352.118 to read as follows:

20 Sec. 352.118. USE OF REVENUE: CERTAIN COUNTIES BORDERING  
21 THE RED RIVER. (a) In addition to the purposes authorized by this  
22 chapter, the revenue from a tax imposed under this chapter by a  
23 county authorized to impose the tax under Section 352.002(jj) may  
24 be used for:

1           (1) expenses, including promotion expenses, directly  
2 related to a sporting event in which some of the participants are  
3 tourists who increase economic activity at hotels and motels within  
4 the county;

5           (2) construction, improvement, operation, and  
6 maintenance of an amphitheater, park, or other similar public space  
7 that serves to promote the arts and attract visitors and tourists to  
8 the county;

9           (3) providing grants to art and cultural organizations  
10 in the county that develop and promote events that attract visitors  
11 and tourists to the county;

12           (4) funding local history museums that attract  
13 tourists, including funding the expansion of offerings and  
14 exhibits; and

15           (5) the hiring of one or more staff to manage the  
16 efficient administration of the revenue from the tax, provided that  
17 no more than 10 percent of the revenue is used for this purpose.

18           (b) This section expires September 1, 2030.

19           SECTION 4. This Act takes effect immediately if it receives  
20 a vote of two-thirds of all the members elected to each house, as  
21 provided by Section 39, Article III, Texas Constitution. If this  
22 Act does not receive the vote necessary for immediate effect, this  
23 Act takes effect September 1, 2025.