

BILL ANALYSIS

Senate Research Center

H.B. 2832
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Intergovernmental Relations
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Engrossed

DIGEST

Currently, Section 352.002, Tax Code, authorizes certain counties to impose a hotel occupancy tax. The commissioners court of those counties may impose the tax by the adoption of an order or resolution. This bill would allow the commissioners court of a county that borders the Republic of Mexico and in which there is located a national recreation area (Val Verde County), by the adoption of an order or resolution, to impose a hotel occupancy tax. Additionally, this bill would set forth the uses of revenue generated from such a tax.

PURPOSE

As proposed, H.B. 2832 authorizes the commissioner court of a county that borders the Republic of Mexico and in which there is located a national recreation area, by the adoption of an order or resolution, to impose a hotel occupancy tax. This bill, additionally, sets forth the uses of revenue generated from such a tax.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the commissioners court of a county that borders the Republic of Mexico and in which there is located a national recreation area in SECTION 1 (Section 352.002(a)(12), Tax Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 352.002(a), Tax Code, to authorize the commissioners court of a county that borders the Republic of Mexico and in which there is located a national recreation area, among other commissioners courts, by the adoption of an order or resolution, to impose a tax on a person who, under a lease, concession, permit, right of access, license, contract, or agreement, pays for the use or possession or for the right to the use or possession of a room that is in a hotel, costs \$2 or more each day, and is ordinarily used for sleeping. Makes a conforming change.

SECTION 2. Amends Chapter 352B, Tax Code, by adding Section 352.108, as follows:

Sec. 352.108. USE OF REVENUE; CERTAIN COUNTIES THAT BORDER MEXICO AND CONTAIN A NATIONAL RECREATION AREA. Authorizes a county authorized to impose a tax under this chapter by Section 352.002(a)(12) to use 75 percent of the revenue for the promotion of tourism; and 25 percent of the revenue for the general revenue purposes or general governmental operations of the county.

SECTION 3. Emergency clause.
Effective date: upon passage.