

BILL ANALYSIS

Senate Research Center
79R18381 KLA-F

C.S.H.B. 1773
By: Miller (Averitt)
Intergovernmental Relations
5/20/2005
Committee Report (Substituted)

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, counties, as well as some cities, are authorized to impose a hotel occupancy tax. In some instances this imposes double taxation upon the hotels.

C.S.H.B. 1773 removes the authority from Somervell County, allowing that county to opt out of imposing the tax upon cities within its jurisdiction. C.S.H.B. 1773 also grants that authority to the counties bordering Whitney Lake and authorizes those counties to use such money only for certain purposes.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends and reenacts Section 352.002(a), Tax Code, as amended by Chapters 64, 637, 741, 1097, and 1108, Acts of the 78th Legislature, Regular Session, 2003, to authorize the commissioners court of a county that borders Whitney Lake, 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 nonsubstantive changes.

SECTION 2. Amends and reenacts Section 352.002(d), Tax Code, as amended by Chapters 64, 1097, and 1108, Acts of the 78th Legislature, Regular Session, 2003, to provide that this subsection does not apply to a county authorized by Subsection (a)(9) to impose the tax that has a population of more than 9,000. Makes nonsubstantive and conforming changes.

SECTION 3. Amends Section 352.002, Tax Code, by adding Subsection (e), to provide that the tax imposed by a county that borders Whitney Lake does not apply to a hotel located in a municipality in that county, regardless of whether the municipality imposes a tax under Chapter 351 applicable to the hotel.

SECTION 4. Amends Subchapter B, Section 352.002, Tax Code, by adding Section 352.110, as follows:

Sec. 352.110. USE OF REVENUE: COUNTIES BORDERING WHITNEY LAKE.
Authorizes the revenue from a tax imposed under this chapter by a county that borders Whitney Lake to only be used for general promotion and tourist advertising of the unincorporated areas of the county and for conducting a solicitation program to attract conventions and visitors to those areas. Requires the counties bordering Whitney Lake that impose the tax, to coordinate the use of revenue from the tax imposed under this chapter, to attempt to contract with the same person to use the revenue for the purposes described by this section.

SECTION 5. Effective date: upon passage or September 1, 2005.