

BILL ANALYSIS

Senate Research Center
85R5848 ADM-F

S.B. 686
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Natural Resources & Economic Development
3/17/2017
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 686 addresses a drafting error in Chapter 352 (County Hotel Occupancy Taxes), Tax Code, in order to give Real County the authority to impose a hotel occupancy tax.

Currently, Section 352.002(a)(16), Tax Code, describes the county as having "two incorporated municipalities...located on the Frio River." However, only one of Real County's two incorporated municipalities is located on the Frio River. The existing language thus fails to allow Real County to set a hotel occupancy tax as was originally intended.

S.B. 686 corrects this oversight by amending the tax code such that it accurately describes Real County as having "two incorporated municipalities...at least one of which is located on the Frio River."

As proposed, S.B. 686 amends current law relating to the authority of certain counties to impose a hotel occupancy tax.

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 Section 352.002(a), Tax Code, to authorize the commissioners court of a county with a population of 25,000 or less, whose territory is less than 750 square miles, and that has two incorporated municipalities, each with a certain population, at least one of which is located in the Frio River, to impose a tax on a person who takes certain actions to pay for the use or possession, or for the right to the use or possession, of a hotel room, meeting certain criteria.

SECTION 2. Effective date: upon passage or September 1, 2017.