

## **BILL ANALYSIS**

Senate Research Center  
77R8716 CBH-D

S.B. 1393  
By: Bernsen  
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As Filed

### **DIGEST AND PURPOSE**

Current law allows certain counties to impose hotel occupancy tax increases within their respective incorporated municipalities. As proposed, S.B. 1393 allows for a 2 percent increase in taxes on hotel and motel rooms in Jefferson County in order to generate \$400,000 to \$500,000 in annual revenue that county officials can use to promote tourism and conventions in the area.

### **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(d), Tax Code, to provide that the tax imposed by a county authorized by Subsection (a)(12), as added by Chapter 469, Acts of the 75th Legislature, Regular Session, 1997, to impose the tax does not apply to a hotel located in a municipality that imposes a tax under Chapter 351 applicable to the hotel. Provides that this subsection does not apply to a county authorized by Subsection (a)(6) to impose the tax that has a population of more than 200,000 and borders the Neches River.

SECTION 2. Amends Section 352.003, Tax Code, by adding Subsection (f), to prohibit the tax rate in a county that borders the Gulf of Mexico, has a population of more than 200,000, and borders the Neches River from exceeding two percent of the price paid for a room in a hotel in the county.

SECTION 3. Effective date: upon passage or September 1, 2001.