BILL ANALYSIS

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, Section 352.002, Tax Code, allows certain counties to impose a hotel occupancy tax. C.S.H.B. 214 extends the hotel occupancy taxing ability to a county with a population of less than 22,000 and in which the birthplace of a president of the United States is located.

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. Reenacts and amends 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 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 in a county that has a population of less than 22,000 and in which the birthplace of a president of the United States is located. Redesignates three Subdivisions each numbered as (17) as Subdivisions (18)-(20).

SECTION 2. Reenacts and amends 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 the tax imposed by a county authorized by Subsection (a)(19), (20), or (21) to impose the tax does not apply to a hotel located in a municipality that imposes a tax under Chapter 351 (Municipal Hotel Occupancy Taxes) applicable to the hotel.

SECTION 3. Amends Section 352.002, Tax Code, by adding Subsection (e), to provide that in addition to the prohibition provided by Subsection (d), the tax imposed by a county authorized by Subsection (a)(17) to impose that tax does not apply to a hotel located in the extraterritorial jurisdiction of a municipality that imposes a tax under Chapter 351 applicable to that hotel. Prohibits the county, if, after the date the county begins to impose a tax, a municipality in the county adopts an ordinance under Section 351.0025 (Extraterritorial Jurisdiction) authorizing the imposition of the municipal tax in the municipality's extraterritorial jurisdiction, from imposing a tax applicable to a hotel located in that territory on or after the date the municipality begins to impose that tax.

SECTION 4. Effective date: upon passage or September 1, 2005.