

## **BILL ANALYSIS**

Senate Research Center  
79S20145 KLA-D

S.B. 29  
By: Seliger  
Intergovernmental Relations  
7/26/2005  
As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

S.B. 29 authorizes the commissioners court of a county the entire border of which is located within 250 miles of New Mexico, that has a population of more than 100,000, that includes one municipality with a population of more than 90,000 but less than 120,000, and that includes within its borders an international airport, 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.

S.B. 29 provides that the tax rate in a county authorized to impose this tax may not exceed two percent of the price paid for a room in a hotel in the county.

The tax expires September 1, 2007. S.B. 29 prohibits the county from imposing the tax on or after September 1, 2007.

### **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, Tax Code, by adding Subsections (a-1) and (a-2), as follows:

(a-1) Authorizes, in addition to the counties described by Subsection (a), the commissioners court of a county the entire border of which is located within 250 miles of New Mexico, that has a population of more than 100,000, that includes one municipality with a population of more than 90,000 but less than 120,000, and that includes within its borders an international airport, 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.

(a-2) Provides that this subsection and Subsection (a-1) expire September 1, 2007. Prohibits a county described by Subsection (a-1) from imposing the tax authorized by that subsection on or after September 1, 2007.

SECTION 2. Amends Section 352.003, Tax Code, by adding Subsections (h) and (h-1), as follows:

(h) Prohibits the tax rate in a county authorized to impose the tax under Section 352.002(a-1) from exceeding two percent of the price paid for a room in a hotel in the county.

(h-1) Provides that this subsection and Subsection (h) expire September 1, 2007.

SECTION 3. Effective date: upon passage or the 91st day after adjournment.