

## **BILL ANALYSIS**

Senate Research Center  
83R1923 BEF-D

S.B. 319  
By: Uresti  
Finance  
4/23/2013  
As Filed

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

Current law does not impose a tax on a person who has the right to use or possess a room in a hotel for at least 30 consecutive days, so long as there is no interruption of payment for the period.

Current law fails to capture a portion of the hotel occupancy tax by allowing companies or individuals who rent a room or multiple rooms for months at a time to not pay their share of the hotel occupancy tax. This creates the problem of lost revenue for many small towns that have seen an increase in occupancy in many of the energy areas throughout the state.

S.B. 319 amends the Tax Code by replacing the word "person" in the current language with the word "individual."

As proposed, S.B. 319 amends current law relating to the tax exemption for permanent hotel residents.

### **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 156.101, Tax Code, to provide that this chapter does not impose a tax on an individual, rather than a person, who has the right to use or possesses a room in a hotel for at least 30 consecutive days, so long as there is no interruption of payment for the period.

SECTION 2. (a) Provides that the change in law made by this Act applies to a person who has the right to use or possess a room in a hotel on or after the effective date of this Act, regardless of whether that right began before the effective date of this Act.

(b) Provides that for an individual who is eligible for the exception under Section 156.101 (Exception Permanent Resident), Tax Code, on the effective date of this Act, each consecutive day on which the individual had the right to use or possess a room in a hotel before the effective date of this Act is included in determining the period in which the individual has the right to use or possess the room for purposes of Section 156.101.

SECTION 3. Provides that the change in law made by this Act does not affect tax liability accruing before the effective date of this Act. Provides that tax liability accruing before the effective date of this Act continues in effect as if this Act had not been enacted, and the former law is continued in effect for the collection of taxes due and for civil and criminal enforcement of the liability for those taxes.

SECTION 4. Effective date: September 1, 2013.