

## **BILL ANALYSIS**

Senate Research Center  
88R31926 SRA-F

C.S.H.B. 5105  
By: Stucky et al. (Springer)  
Natural Resources & Economic Development  
5/21/2023  
Committee Report (Substituted)

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

Currently, Denton County does not fit into brackets outlined by Section 352.002, despite it having a considerable population, two large universities, and adjacency to two of the largest counties in Texas.

Denton County also has a burgeoning tourism industry, with locations like the town square and numerous music festivals bringing in visitors year-round. This bill allows Denton County to qualify for a hotel occupancy tax as prescribed by the bill.

C.S.H.B. 5105 amends current law relating to authorizing certain counties to impose a hotel occupancy tax and the use of revenue from that 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, Tax Code, by adding Subsection (v), as follows:

(v) Authorizes the commissioners court of a county with a population of more than 650,000 that is adjacent to two counties, each having a population of more than 1.8 million, to impose a tax as provided by Subsection (a). Provides that a tax imposed under this subsection does not apply to a hotel that is located on a contiguous property in more than one county.

SECTION 2. Amends Section 352.003, Tax Code, by adding Subsection (bb), to prohibit the tax rate in a county authorized to impose the tax under Section 352.002(v) from exceeding two percent of the price paid for a room in a hotel.

SECTION 3. Amends Subchapter B, Chapter 352, Tax Code, by adding Section 352.115, as follows:

Sec. 352.115. USE OF REVENUE: CERTAIN COUNTIES ADJACENT TO POPULOUS COUNTIES. Authorizes the revenue from a tax imposed under Chapter 352 (County Hotel Occupancy Taxes) by a county authorized to impose the tax under Section 352.002(v) to be used for the purposes described by Section 352.112 (Use of Revenue: Certain Counties Holding an Annual Strawberry Festival), in addition to the purposes authorized by this chapter.

SECTION 4. Effective date: September 1, 2023.