

Chapter 321

H.B. No. 1494

AN ACT

relating to the use of municipal hotel occupancy tax revenue by certain municipalities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1075 to read as follows:

Sec. 351.1075. ALLOCATION OF REVENUE FOR THE ARTS BY CERTAIN MUNICIPALITIES. (a) This section applies only to a municipality:

(1) a portion of which is designated as a cultural arts district; and

(2) that is the county seat of a county:

(A) described by Section 352.002(a)(6);

(B) with a population of less than 50,000; and

(C) that includes a state park and a national wildlife refuge.

(b) Notwithstanding any other provision of this chapter and subject to Subsection (c)(1), a municipality to which this section applies may use not more than 30 percent of the revenue derived from the municipal hotel occupancy tax for the purposes provided by Section 351.101(a)(4).

(c) A municipality to which this section applies that spends more than 15 percent of the hotel occupancy tax revenue collected by the municipality in a fiscal year for the purposes provided by

1 Section 351.101(a)(4):

2 (1) may not in that fiscal year reduce the percentage
3 of hotel occupancy tax revenue that the municipality spends for the
4 purposes described by Section 351.101(a)(3) to a percentage that is
5 less than the average percentage of hotel occupancy tax revenue
6 spent by the municipality for those purposes during the 36-month
7 period preceding that fiscal year; and

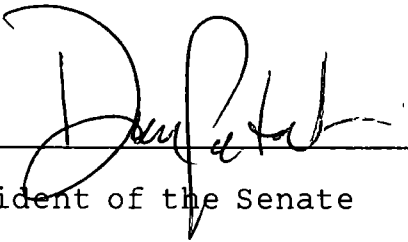
8 (2) shall determine for that fiscal year:

9 (A) the increase in the amount of hotel revenue
10 that is attributable to that expenditure; and

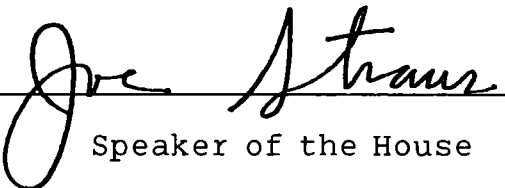
11 (B) the total amount of hotel occupancy tax
12 revenue spent by the municipality for the purposes provided by
13 Section 351.101(a)(4).

14 (d) If the amount of money determined under Subsection
15 (c)(2)(A) is less than the amount of money determined under
16 Subsection (c)(2)(B), the municipality shall reimburse the
17 municipality's hotel occupancy tax revenue fund from the
18 municipality's general fund an amount equal to 50 percent of the
19 difference between those determined amounts.

20 SECTION 2. This Act takes effect immediately if it receives
21 a vote of two-thirds of all the members elected to each house, as
22 provided by Section 39, Article III, Texas Constitution. If this
23 Act does not receive the vote necessary for immediate effect, this
24 Act takes effect September 1, 2017.

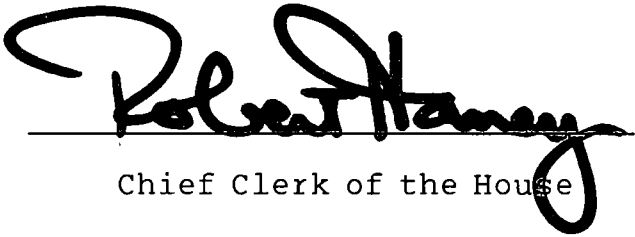


President of the Senate



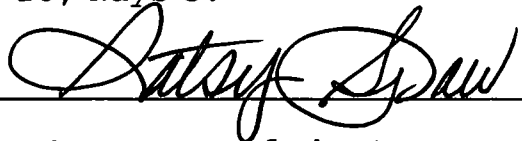
Speaker of the House

I certify that H.B. No. 1494 was passed by the House on May 4, 2017, by the following vote: Yeas 138, Nays 5, 2 present, not voting.



Chief Clerk of the House

I certify that H.B. No. 1494 was passed by the Senate on May 21, 2017, by the following vote: Yeas 26, Nays 5.



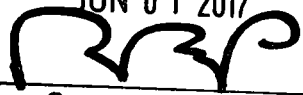
Secretary of the Senate

APPROVED: _____

Date

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
11:00 AM O'CLOCK

JUN 01 2017


Secretary of State

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 11, 2017

TO: Honorable Craig Estes, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB1494** by Morrison, Geanie W. (Relating to the use of municipal hotel occupancy tax revenue by certain municipalities.), **As Engrossed**

No fiscal implication to the State is anticipated.

Local Government Impact

The bill would amend Chapter 351 of the Tax Code, regarding municipal hotel occupancy taxes, to add new Section 351.1075 to authorize a municipality that is the county seat of a county (1) described by Section 352.002(a)(6) of this code; (2) with a population of less than 50,000; and (3) that includes a state park and a national wildlife refuge, to use municipal hotel occupancy taxes for the encouragement, promotion, improvement and application of the arts. The bill would limit the amount of municipal hotel tax revenue that may be used for that purpose.

The bill would affect the City of Rockport.

The bill would take effect immediately upon enactment, assuming it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2017.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, SZ, KK, SD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 26, 2017

TO: Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1494 by Morrison, Geanie W. (relating to the use of municipal hotel occupancy tax revenue by certain municipalities.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

The bill would amend Chapter 351 of the Tax Code, regarding municipal hotel occupancy taxes, to add new Section 351.1075 to authorize a municipality that is the county seat of a county (1) described by Section 352.002(a)(6) of this code; (2) with a population of less than 50,000; and (3) that includes a state park and a national wildlife refuge, to use municipal hotel occupancy taxes for the encouragement, promotion, improvement and application of the arts. The bill would limit the amount of municipal hotel tax revenue that may be used for that purpose.

The bill would affect the City of Rockport.

The bill would take effect immediately upon enactment, assuming it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2017.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 18, 2017

TO: Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1494 by Morrison, Geanie W. (Relating to the use of municipal hotel occupancy tax revenue by certain municipalities.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 351 of the Tax Code, regarding municipal hotel occupancy taxes, to add new Section 351.1075 to authorize a municipality that is the county seat of a county (1) described by Section 352.002(a)(6) of this code; (2) with a population of less than 30,000; and (3) that includes a state park and a national wildlife refuge, to use municipal hotel occupancy taxes for the encouragement, promotion, improvement and application of the arts.

The bill would have no state or local revenue implications.

The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house; otherwise it would take effect September 1, 2017.

Local Government Impact

The bill would authorize the City of Rockport to use municipal hotel occupancy taxes for the encouragement, promotion, improvement and application of the arts.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, SD