

BILL ANALYSIS

Senate Research Center

H.B. 1424
By: Eiland (Patterson)
Intergovernmental Relations
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Engrossed

DIGEST

Currently, there is no state law that provides for the imposition of a municipal sales and use tax and hotel occupancy tax in areas to be annexed by certain municipalities. Some municipalities planning to annex cities may be providing sewer and water services to those cities. This bill authorizes certain municipal areas to impose a municipal sales and use tax and a hotel occupancy tax.

PURPOSE

As proposed, H.B. 1424 authorizes certain municipal areas to impose a municipal sales and use tax and a hotel occupancy tax.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 43.0751, Local Government Code, by adding Subsection (n), to provide that this subsection applies only to a municipality any portion of which is located in a county that has a population of more than 200,000 and that borders the Gulf of Mexico and is adjacent to a county with a population of more than 2.8 million. Authorizes a municipality to impose, within the boundaries of a water control and improvement district or a municipal utility district created or operating under Chapter 51 or 54, Water Code, a municipal sales and use tax or a municipal hotel occupancy tax, under certain conditions.

SECTION 2. Emergency clause.
Effective date: upon passage.