
Converting sales and use tax, requiring certain annual tax report

SB 1319 by Birdwell (Murphy)

Digest

SB 1319 would have required a county that imposed a hotel occupancy tax to annually report certain information related to that tax to the comptroller. The report would have had to include the rate of the tax, the amount of revenue collected from the tax during the previous fiscal year, and certain other information.

The bill also would have allowed Laredo and Webb County to convert all or a portion of a sales and use tax originally adopted to finance a sports and community venue project to a sales and use tax to promote and develop new and expanded business enterprises if the conversion was approved by voters.

Governor's reason for veto

“The author of Senate Bill 1319 had the right idea in imposing additional reporting requirements for hotel occupancy taxes. Taxpayers deserve that kind of transparency. But the bill was amended by others to add pet projects that would allow a single county and a single city to have an existing tax, previously enacted for a particular purpose, ‘converted’ by election into a different tax for a different purpose. This tax ‘conversion’ process would have misled voters, masking the reality that such an election is for a new tax by failing to inform them that they could simply allow the existing tax to expire. I applaud the author for his original concept and look forward to approving it next session, without the counterproductive amendments.”

Response

Sen. Brian Birdwell, the bill's author, could not be reached for comment on the veto.

Rep. Jim Murphy, the House sponsor, had no comment on the veto.

Notes

[SB 1319](#) was digested in Part Two of the May 20 *Daily Floor Report*.