

By: Márquez

H.B. No. 1742

A BILL TO BE ENTITLED

AN ACT

relating to a qualified hotel project.

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

SECTION 1. Section 351.001(7), Tax Code, is amended to read: as follows:

(7) "Eligible central municipality" means:

(A) a municipality with a population of more than 140,000 but less than 1.5 million that is located in a county with a population of one million or more and that has adopted a capital improvement plan for the expansion of a convention center facility; or

(B) a municipality with a population of 250,000 or more that:

(i) is located wholly or partly on a barrier island that borders the Gulf of Mexico;

(ii) is located in a county with a population of 300,000 or more; and

(iii) has adopted a capital improvement plan to expand an existing convention center facility; or

(C) a municipality with a population of 640,000 or more located in a county on an international border.

SECTION 2. Subsection (h), Section 151.429, Tax Code, is amended to read as follows:

(h) ~~This subsection does not apply to a qualified hotel~~

1 ~~project described by Section 2303.003(8)(B), Government Code.~~
 2 Notwithstanding the other provisions of this section, the owner of
 3 a qualified hotel project shall receive a rebate, refund, or
 4 payment of 100 percent of the sales and use taxes paid or collected
 5 by the qualified hotel project or businesses located in the
 6 qualified hotel project pursuant to this chapter and 100 percent of
 7 the hotel occupancy taxes paid by persons for the use or possession
 8 of or for the right to the use or possession of a room or space at
 9 the qualified hotel project pursuant to the provisions of Chapter
 10 156 during the first 10 years after such qualified hotel project is
 11 open for initial occupancy. The comptroller shall deposit the
 12 taxes in trust in a separate suspense account of the qualified hotel
 13 project. A suspense account is outside the state treasury, and the
 14 comptroller may make a rebate, refund, or payment authorized by
 15 this section without the necessity of an appropriation. The
 16 comptroller shall rebate, refund, or pay to each qualified hotel
 17 project eligible taxable proceeds to which the project is entitled
 18 under this section at least monthly.

19 SECTION 3. Subdivision (8)(B), Section 2303.003,
 20 Government Code, is amended to read as follows:

21 (8) "Qualified hotel project" means:
 22 (A) a hotel proposed to be constructed by a
 23 municipality or a nonprofit municipally sponsored local government
 24 corporation created under the Texas Transportation Corporation
 25 Act, Chapter 431, Transportation Code, that is within 1,000 feet of
 26 a convention center owned by a municipality having a population of
 27 1,500,000 or more, including shops, parking facilities, and any

1 other facilities ancillary to the hotel; and

2 (B) a hotel proposed to be constructed,
3 remodeled, or rehabilitated by a municipality or a nonprofit
4 municipally sponsored local government corporation created under
5 the Texas Transportation Corporation Act, Chapter 431,
6 Transportation Code, that is within 1,000 [~~3,000~~] feet of the
7 property line of a convention center owned by a municipality having
8 a population of more than 500,000 and that borders the United
9 Mexican States.

10 SECTION 4. Subdivision (2), Section 351.001, Tax Code, is
11 amended to read as follows:

12 (2) "Convention center facilities" or "convention
13 center complex" means facilities that are primarily used to host
14 conventions and meetings. The term means civic centers, civic
15 center buildings, auditoriums, exhibition halls, and coliseums
16 that are owned by the municipality or other governmental entity or
17 that are managed in whole or part by the municipality. In a
18 municipality with a population of 1.5 million or more, "convention
19 center facilities" or "convention center complex" means civic
20 centers, civic center buildings, auditoriums, exhibition halls,
21 and coliseums that are owned by the municipality or other
22 governmental entity or that are managed in part by the
23 municipality, hotels owned by the municipality or a nonprofit
24 municipally sponsored local government corporation created under
25 Chapter 431, Transportation Code, within 1,000 feet of a convention
26 center owned by the municipality, or a historic hotel owned by the
27 municipality or a nonprofit municipally sponsored local government

1 corporation created under Chapter 431, Transportation Code, within
2 one mile of a convention center owned by the municipality. The term
3 includes parking areas or facilities that are for the parking or
4 storage of conveyances and that are located at or in the vicinity of
5 other convention center facilities. The term also includes a hotel
6 owned by or located on land that is owned by an eligible central
7 municipality or by a nonprofit corporation acting on behalf of an
8 eligible central municipality and that is located within 1,000 feet
9 of a convention center facility owned by the municipality. The term
10 also includes a hotel proposed to be constructed, remodeled, or
11 rehabilitated by a municipality or a nonprofit municipally
12 sponsored local government corporation created under Chapter 431,
13 Transportation Code, that is within 1,000 [~~3,000~~] feet of the
14 property line of a convention center owned by a municipality having
15 a population of more than 500,000 and that borders the United
16 Mexican States.

17 SECTION 5. The change in law made by this Act applies only
18 to revenue derived from the tax to which this section applies that
19 is pledged on or after the effective date of this Act. Revenue
20 pledged before the effective date of this Act is governed by the law
21 in effect when the revenue was pledged, and the former law is
22 continued in effect for that purpose.

23 SECTION 6. This Act takes effect September 1, 2015.