



**Hill County Tax Office**  
**Krystal A. Hightower, PCC**

HILL COUNTY TAX ASSESSOR-COLLECTOR

Post Office Box 412

Hillsboro ~ Texas ~ 76645

254.582.4000

254.582.4001 Fax

[www.hilltax.org](http://www.hilltax.org)

[khightower@co.hill.tx](mailto:khightower@co.hill.tx)

TO: Hill County HOTEL/MOTEL Owner's/Managers

RE: Hill County Hotel/Motel Occupancy Tax

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To follow please find Hill County Hotel/Motel Occupancy Tax Forms to be used for remitting your Quarterly Hotel/Motel Occupancy Tax.

Pursuant to Commissioners Court Order #2008-3652 and Resolution; the Hotel/Motel Occupancy tax was imposed as of April 1<sup>st</sup>, 2008. The Court approved the quarterly reporting form which is included in this document for your convenience. Directions for completing the form appear on the second page of the form.

The Hill County Tax Office will be glad to answer any of your questions regarding the Hotel/Motel Occupancy Tax. You may reach us by calling 254-582-4000 or email at [tac@co.hill.tx.us](mailto:tac@co.hill.tx.us). Additional forms are available on the Hill County Tax Office web site under the Online Services tab.

Thank you for your attention.



REPORT OF

HOTEL/MOTEL OCCUPANCY TAX
COUNTY OF HILL

REMIT TO:

Hill County Tax Assessor/Collector
PO Box 412
Hillsboro, TX 76645

(a) Reporting Period (b) Due Date (see below) (c) Trade Name and Contact Information
1st Qtr Jan/Feb/Mar
2nd Qtr Apr/May/Jun
3rd Qtr Jul/Aug/Sep
4th Qtr Oct/Nov/Dec
MONTH YEAR
Trade Name:
Owner Name:
Location Address:
Mailing Address:
Occupancy Tax and report are due on or before the last day of the month following the reporting period in (a).

(d) Filing
On Time Late
Contact: Phone:

(e) Status of Business Make Trade Name/Ownership/Address/Contact Changes
Is this location still in business? Yes No
If NO, as of what date sold/transferred/closed:
If this location has been sold or transferred, provide the new trade name, the new owner's name, address and telephone number:

(f) Hotel/Motel Occupancy Tax Calculations (g) Hill County

Table with columns for calculations and receipts. Includes rows for Total Gross Receipts, Exemptions, Taxable Receipts, Tax Rate for Hill County (3%), Tax, Interest Rate Calculation, Penalty Calculation, Total Late Charges, and Total Tax Due. Includes instructions for remitting payment to Hill County Tax Office.

(h) AFFIDAVIT
I, \_\_\_\_\_ (PRINT NAME), AM THE [ ] OWNER, [ ] MANAGER, [ ] CONTROLLER, OR [ ] OTHER. I declare under the penalties prescribed in the Texas Tax Code, Section 352, that the information contained in this document covering the above period is accurate, true, and correct, to the best of my knowledge and belief.
Date Telephone Number Title or Capacity Signature of Affiant

## INSTRUCTIONS FOR REPORTING AND REMITTING HOTEL OCCUPANCY TAX

**WHO MUST FILE:** You must file this report if you are a sole owner, partnership, corporation or other organization that owns, operates, manages, and/or controls any hotel, motel, bed and breakfast, rooming house, tourist court, residency inn, condominium, cabin, cottage, lodge, inn or other location offering sleeping accommodations for consideration for periods of less than 30 days and are located in Hill County, and not located inside a municipality that imposes the tax. Sleeping accommodations do not include meeting rooms, offices, or other general gathering areas.

**WHEN TO FILE:** Reports must be filed on or before the last day of the calendar month following the reporting period. The reporting period includes four quarters - 1st Quarter (January, February, March); 2nd Quarter (April, May, June); 3rd Quarter (July, August, September); 4th Quarter (October, November, December). 1st Quarter Report is due on or before the last day of April. 2nd Quarter Report is due on or before the last day of July. 3rd Quarter Report is due on or before the last day of October. 4th Quarter Report is due on or before the last day of January.

**WHERE TO FILE:** Mail the report and payment in the form of a check or money order to the Hill County Tax Office, PO Box 412, Hillsboro, TX 76645. Personal delivery will be accepted at the Hill County Tax Office, 80 Waco Street, County Courthouse, 1st Floor, Hillsboro, TX 76645.

### INSTRUCTIONS (BOXES):

**(a) REPORTING PERIOD:** See WHEN TO FILE for a definition of the Reporting Period. Payment and Report is due by the last day of the calendar month following the reporting period. A separate form must be used for each REPORTING PERIOD. Do NOT combine more than one quarter on a single form.

**(b) DUE DATE:** Report and full payment are due on or before the last day of the calendar month following the REPORTING PERIOD. Payments received after the last day of the month following the REPORTING PERIOD will incur late charges.

**(f) HOTEL/MOTEL OCCUPANCY TAX CALCULATIONS:** Complete column (g) as directed on lines (1) through (9) of the Report.

**(g) HILL COUNTY:** This column is provided to complete the calculations required in lines (1) through (9). Refer to instructions provided on each line.

**(k) INTEREST RATE:** Delinquent taxes accrue interest on the first (1st) day of each month after the DUE DATE at the annual rate of 10 percent (10%) per annum.

**(l) PENALTIES:** Delinquent taxes accrue a five percent (5%) penalty on the first day of the first (1st) calendar month following the DUE DATE. An additional five percent (5%) penalty (total 10%) accrues on the first day of the second (2nd) month following the DUE DATE.

### INSTRUCTIONS (LINES):

**1. TOTAL GROSS RECEIPTS:** Enter the total gross receipts for all sleeping accommodations rented for less than 30 days (short-term) including any sleeping accommodations claiming an EXEMPTION. All sleeping accommodations are short-term unless occupant(s) fully prepay for the first 30 days. TOTAL GROSS RECEIPTS include only the charges for sleeping accommodations and do not include miscellaneous charges such as those for personal services, food, etc. Do not include receipts on sleeping accommodations rented for less than two dollars (\$2.00) per day or receipts from use of meeting rooms. Enter "0" if no receipts were collected for this REPORTING PERIOD.

**2. EXEMPTIONS:** Enter the total receipts for all sleeping accommodations qualifying for an exemption. A Texas Hotel Occupancy Tax Exemption Certificate (Texas Comptroller of Public Accounts, Form 12-302) must be furnished by the individual or organization claiming an exemption. The exemption certificate should be retained by the hotel for possible review by the County. Hotels may require government identification, business card or other identification to verify exemption claimed. The hotel may incur a tax liability for any exemption for which an allowable exemption certificate is not on file and available for review, or for any irregular exemption certificate.

Exemptions may include:  
 • United States government agencies and its employees traveling on official business;  
 • Texas state officials or employees who present a Hotel Tax Exemption Photo Identification Card;  
 • Diplomatic personnel of a foreign government who present a Tax Exemption Card issued by the U.S. Department of State.

**3. TAXABLE RECEIPTS:** TAXABLE RECEIPTS are calculated by subtracting qualifying exemptions on line 2 from the TOTAL GROSS RECEIPTS on line 1. The result is subject to the TAX RATES ON line 4.

**4. TAX RATE:** The tax rate for Hill County is 3 percent. Note: If your location is inside the city limits of a municipality that imposes Hotel/Motel Occupancy tax you are not subject to the County tax.

**5. TAX:** Calculate the TAX by multiplying the TAXABLE RECEIPTS on line 3 by the applicable tax rate on line 4, and enter the TAX on line 5. For reports filed late continue on to line 6. Otherwise, skip lines 6-8 and enter amount due on line 9.

**6. INTEREST RATE CALCULATION:** Delinquent taxes accrue interest on the first (1st) day of each month after the DUE DATE at the annual rate of 10 percent (10%) per annum. Multiply the monthly interest rate (0.8333%) by the number of months delinquent and enter the percentage in box (k). Calculate the amount of interest due by multiplying the percentage in box (k) by the amount of TAX in column 5(g) and enter the result in column 6(g).

**7. PENALTY CALCULATION:** Delinquent taxes accrue a five percent (5%) penalty on the first day of the first (1st) calendar month following the DUE DATE. An additional five percent (5%) penalty (total 10%) accrues on the first day of the second (2nd) calendar month following the DUE DATE. Multiply the applicable penalty times the amount of TAX in column 5(g) and enter the results in column 7(g).

**8. TOTAL LATE CHARGES:** Add the amounts in lines 6(g) and 7(g) and write the totals in column 8(g).

**9. AMOUNT DUE:** Add the amounts on line 5(g) and 8(g), and enter the total on line 9(g).

**10. TOTAL TAX DUE:** Remit the total amount due from column 9(g) to the Hill County Tax Office, PO Box 412, Hillsboro, TX 76645 together with the report.

**AFFIDAVIT:** This person is responsible for the complete reporting of all receipts and accurate calculations of the occupancy tax, including any and all late charges incurred as a result of late payment, and shall sign this affidavit that the report is accurate to the best of his/her knowledge and belief.

**ADDITIONAL INFORMATION:** Forms may be found and/or downloaded from the Hill County website, <http://www.co.hill.tx.us> or the Hill County Tax Office web site, [www.hilltax.org](http://www.hilltax.org). You may reach the Hill County Tax Assessor/Collectors Office by calling 254.582.4000. Email questions to [tac@co.hill.tx.us](mailto:tac@co.hill.tx.us)

### LATE PAYMENT CHART

REPORTING PERIOD	DUE DATE	INTEREST (10%/ANNUM)	5% PENALTY	10% PENALTY
REGULAR CALENDAR QUARTER IN WHICH THE HOTEL OCCUPANCY TAXES WERE COLLECTED BY THE HOTEL OPERATOR	OCCUPANCY TAXES AND REPORT MUST BE REMITTED TO THE COUNTY ON OR BEFORE THE LAST DAY OF THE MONTH FOLLOWING THE REPORTING PERIOD	INTEREST RATE - 10% PER ANNUM ASSESSED AGAINST UNPAID OCCUPANCY TAXES BEGINNING ON THE FIRST DAY OF EACH CALENDAR MONTH AFTER THE DUE DATE	5% PENALTY ASSESSED AGAINST UNPAID OCCUPANCY TAXES BEGINNING ON THE FIRST DAY OF THE FIRST CALENDAR MONTH AFTER THE DUE DATE	ADDITIONAL 5% PENALTY (TOTAL 10%) ASSESSED AGAINST UNPAID OCCUPANCY TAXES BEGINNING ON THE FIRST DAY OF THE SECOND CALENDAR MONTH AFTER THE DUE DATE
EXAMPLE	EXAMPLE	EXAMPLE	EXAMPLE	EXAMPLE
2nd QUARTER 2008 (APRIL, MAY, JUNE) DUE DATE= JULY 31, 2008	OCCUPANCY TAXES MUST BE REMITTED ON OR BEFORE JULY 31, 2008	INTEREST ACCRUES AT THE RATE OF 0.8333% PER MONTH (10% ÷ 12) ASSESSED ON UNPAID OCCUPANCY TAXES ON THE FIRST DAY OF EACH CALENDAR MONTH AFTER DUE DATE ON AUGUST 1, 2008	5% PENALTY ASSESSED ON UNPAID OCCUPANCY TAXES ON AUGUST 1, 2008	ADDITIONAL 5% (TOTAL 10%) ASSESSED ON UNPAID OCCUPANCY TAXES ON SEPTEMBER 1, 2008

# TEXAS HOTEL OCCUPANCY TAX EXEMPTION CERTIFICATE



**NOTE: This certificate is for business only, not to be used for private purposes, under penalty of law. The hotel operator may request a government ID, business card or other identification to verify exemption claimed. Certificate should be furnished to the hotel or motel. DO NOT send the completed certificate to the Comptroller of Public Accounts. The certificate does not require a number to be valid. Refer to Hotel Rule 3.161 for exemptions.**

Check exemption claimed:

- United States government or Texas government official exempt from state, city, and county taxes.** Includes US government agencies and its employees traveling on official business, Texas state officials or employees who present a Hotel Tax Exemption Photo Identification Card, and diplomatic personnel of a foreign government who present a Tax Exemption Card issued by the US Department of State.
- Religious, charitable, or educational organization or employee exempt from state tax only.** Educational organizations include school districts, private or public elementary and secondary schools, and Texas institutions of higher education as defined in Section 61.003, Texas Education Code. Beginning October 1, 2003, non-Texas institutions of higher education (public and private universities, junior colleges, community colleges) must pay the state hotel occupancy tax. Religious and charitable organizations must hold a letter of exemption issued by the Comptroller of Public Accounts to claim the exemption.
- Other. Organization exempt by law other than Chapter 156, Tax Code.** Specify reason for exempt status below. **Supporting Documentation Required.**

Name of exempt organization	Organization exempt status ( <i>Religious, charitable, educational, governmental</i> )
Address of exempt organization ( <i>Street and number, city, state, ZIP code</i> )	

**GUEST CERTIFICATION:** I declare that I am an occupant of this hotel/motel on official business sanctioned by the exempt organization named above and that all information shown on this document is true and correct.

Guest name (*Please print*)

	Date
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**FOR HOTEL/MOTEL USE ONLY (OPTIONAL)**

Name of hotel/motel				
Address of hotel/motel ( <i>Street and number, city, state, ZIP code</i> )				
Room rate	Local tax	Exempt state tax	Amount paid by guest	Method of payment

**You have certain rights** under Chapters 552 and 559, Government Code, to review, request and correct information we have on file about you. To review or correct your state tax-related information, contact the Texas State Comptroller's office.

Hotels may require verification before accepting a hotel occupancy tax exemption certificate. An organization may qualify for hotel occupancy tax exemption even when it does not have a Comptroller's letter of hotel tax exemption or cannot be found on the Comptroller's list of exempt organizations. Some examples include churches, public schools and community colleges.

You may need to pay the tax until verification of hotel tax exemption can be obtained from the Comptroller's office. You can apply to the hotel for a refund or credit.

A list of charitable, educational, religious and other organizations that are exempt from state and/or local hotel tax is online at [http://window.state.tx.us/taxinfo/exempt/exempt\\_search.html](http://window.state.tx.us/taxinfo/exempt/exempt_search.html). Other information about Texas tax exemptions, including applications, is online at <http://window.state.tx.us/taxinfo/exempt/index.html>.

You can also send an e-mail to [exempt.orgs@cpa.state.tx.us](mailto:exempt.orgs@cpa.state.tx.us) or call (800) 252-1385.

2008-3652

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**Hill County Commissioners Court**  
**Justin W. Lewis**  
County Judge

**Bob Atwell**  
Precinct 1

**Steven Sulak**  
Precinct 2

**Sam McClendon**  
Precinct 3

**Lee Harkins**  
Precinct 4

**RESOLUTION**

Whereas the Hill County Commissioners Court is authorized pursuant to Texas Tax Code, Section 352.002 to impose a Hotel/Motel Occupancy Tax, and

Whereas the provisions of said law allows the adoption of said tax on a person who, under lease, concession, permit, right of access, license, contract, or agreement, pays for the use or possession or for the right to use or possession of a room that is in a hotel, costs \$2 or more each day, and is ordinarily used for sleeping, and

Whereas the Hill County Hotel/Motel Occupancy Tax shall only apply to a hotel/motel not located in a municipality that imposes the tax, and

Whereas said hotel/motel being situated in Hill County shall account and collect said occupancy tax at a time and on a form prescribed by Hill County and shall remit said tax and report to the Hill County Tax Assessor/Collector, and

Now, therefore, be it RESOLVED that the Hill County Commissioner's Court does hereby adopt and impose a Hotel/Motel Occupancy Tax effective April 1<sup>st</sup>, 2008; and collection shall begin April 1<sup>st</sup>, 2008, and

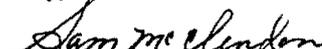
Be it further RESOLVED that the tax rate shall be three percent (3%) of the price paid for a room in a hotel/motel.

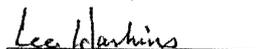
Signed this 12<sup>th</sup> day of February, 2008.

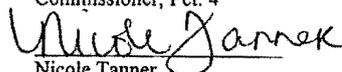
  
Justin Lewis  
Hill County Judge

  
Bob Atwell  
Commissioner, Pct. 1

Steven Sulak  
Commissioner, Pct. 2

  
Sam McClendon  
Commissioner, Pct. 3

  
Lee Harkins  
Commissioner, Pct. 4

  
Nicole Tanner  
Attest: County Clerk



§ 352.002. TAX AUTHORIZED.

Text of subsection as amended by Acts 2007, 80th Leg., R.S., Ch. [24](#),  
§ 1

(a) The commissioners courts of the following counties by the adoption of an order or resolution may impose a tax on a person who, under a lease, concession, permit, right of access, license, contract, or agreement, pays for the use or possession or for the right to the use or possession of a room that is in a hotel, costs \$2 or more each day, and is ordinarily used for sleeping:

- (1) a county that has a population of more than 3.3 million;
- (2) a county that has a population of 90,000 or more, borders the United Mexican States, and does not have three or more cities that each have a population of more than 17,500;
- (3) a county in which there is no municipality;
- (4) a county in which there is located an Indian reservation under the jurisdiction of the United States government;
- (5) a county that has a population of 30,000 or less, that has no more than one municipality with a population of less than 2,500, and that borders two counties located wholly in the Edwards Aquifer Authority established by Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993;
- (6) a county that borders the Gulf of Mexico;
- (7) a county that has a population of less than 5,000, that borders the United Mexican States, and in which there is located a major observatory;
- (8) a county that has a population of 12,000 or less and borders the Toledo Bend Reservoir;
- (9) a county that has a population of less than 12,000 and an area of less than 275 square miles;
- (10) a county that has a population of 30,000 or less and borders Possum Kingdom Lake;
- (11) a county that borders the United Mexican States and has a population of more than 300,000 and less than 600,000;
- (12) a county that has a population of 35,000 or more and borders or contains a portion of Lake Fork Reservoir;
- (13) a county that borders the United Mexican States and in which there is located a national recreation area;
- (14) a county that borders the United Mexican States and in which there is located a national park of more than 400,000 acres;
- (15) a county that has a population of 28,000 or less, that has no more than four municipalities, and that is located wholly in the Edwards Aquifer Authority established by Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993;
- (16) a county that has a population of 25,000 or less, whose territory is less than 750 square miles, and that has two incorporated municipalities, each with a population of 800 or less, located on the Frio River;
- (17) a county that has a population of 34,000 or more and borders Lake Buchanan;
- (18) a county that has a population of more than 45,000 and less than 75,000, that borders the United Mexican States, and that borders or contains a portion of Falcon Lake;
- (19) a county with a population of 21,000 or less that borders the Neches River and in which there is located a national preserve;

- (20) a county that has a population of 22,500 or less and that borders or contains a portion of Lake Livingston;
- (21) a county that has a population of less than 22,000 and in which the birthplace of a president of the United States is located;
- (22) a county that has a population of more than 15,000 but less than 20,000 and borders Lake Buchanan; and
- (23) a county with a population of less than 10,000 that is bordered by the Sulphur River.

Text of subsection as amended by Acts 2007, 80th Leg., R.S., Ch. [1031](#), § 1

(a) The commissioners courts of the following counties by the adoption of an order or resolution may impose a tax on a person who, under a lease, concession, permit, right of access, license, contract, or agreement, pays for the use or possession or for the right to the use or possession of a room that is in a hotel, costs \$2 or more each day, and is ordinarily used for sleeping:

- (1) a county that has a population of more than 3.3 million;
- (2) a county that has a population of 90,000 or more, borders the United Mexican States, and does not have three or more cities that each have a population of more than 17,500;
- (3) a county in which there is no municipality;
- (4) a county in which there is located an Indian reservation under the jurisdiction of the United States government;
- (5) a county that has a population of 30,000 or less, that has no more than one municipality with a population of less than 2,500, and that borders two counties located wholly in the Edwards Aquifer Authority established by Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993;
- (6) a county that borders the Gulf of Mexico;
- (7) a county that has a population of less than 5,000, that borders the United Mexican States, and in which there is located a major observatory;
- (8) a county that has a population of 12,000 or less and borders the Toledo Bend Reservoir;
- (9) a county that has a population of less than 12,000 and an area of less than 275 square miles;
- (10) a county that has a population of 30,000 or less and borders Possum Kingdom Lake;
- (11) a county that borders the United Mexican States and has a population of more than 300,000 and less than 600,000;
- (12) a county that has a population of 35,000 or more and borders or contains a portion of Lake Fork Reservoir;
- (13) a county that borders the United Mexican States and in which there is located a national recreation area;
- (14) a county that borders the United Mexican States and in which there is located a national park of more than 400,000 acres;
- (15) a county that has a population of 28,000 or less, that has no more than four municipalities, and that is located wholly in the Edwards Aquifer Authority established by Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993;
- (16) a county that has a population of 25,000 or less, whose territory is less than 750 square miles, and that has two incorporated municipalities, each with a population of 800 or less, located on the Frio River;

- (17) a county that has a population of 34,000 or more and borders Lake Buchanan;
- (18) a county that has a population of more than 45,000 and less than 75,000, that borders the United Mexican States, and that borders or contains a portion of Falcon Lake;
- (19) a county with a population of 21,000 or less that borders the Neches River and in which there is located a national preserve;
- (20) a county that has a population of 22,500 or less and that borders or contains a portion of Lake Livingston;
- (21) a county that has a population of less than 22,000 and in which the birthplace of a president of the United States is located;
- (22) a county that has a population of 16,000 or more and borders the entire north shore of Lake Somerville;
- (23) a county that has a population of 20,000 or less and that is bordered by the Brazos and Navasota Rivers;
- (24) a county that has a population of more than 15,000 and less than 25,000 and is located on the Trinity and Navasota Rivers; and
- (25) a county that has a population of less than 15,000 and that is bordered by the Trinity and Navasota Rivers.

Text of subsection as amended by Acts 2007, 80th Leg., R.S., Ch. [1359](#), § 1

(a) The commissioners courts of the following counties by the adoption of an order or resolution may impose a tax on a person who, under a lease, concession, permit, right of access, license, contract, or agreement, pays for the use or possession or for the right to the use or possession of a room that is in a hotel, costs \$2 or more each day, and is ordinarily used for sleeping:

- (1) a county that has a population of more than 3.3 million;
- (2) a county that has a population of 90,000 or more, borders the United Mexican States, and does not have three or more cities that each have a population of more than 17,500;
- (3) a county in which there is no municipality;
- (4) a county in which there is located an Indian reservation under the jurisdiction of the United States government;
- (5) a county that has a population of 30,000 or less, that has no more than one municipality with a population of less than 2,500, and that borders two counties located wholly in the Edwards Aquifer Authority established by Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993;
- (6) a county that borders the Gulf of Mexico;
- (7) a county that has a population of less than 5,000, that borders the United Mexican States, and in which there is located a major observatory;
- (8) a county that has a population of 12,000 or less and borders the Toledo Bend Reservoir;
- (9) a county that has a population of less than 12,000 and an area of less than 275 square miles;
- (10) a county that has a population of 30,000 or less and borders Possum Kingdom Lake;
- (11) a county that borders the United Mexican States and has a population of more than 300,000 and less than 600,000;
- (12) a county that has a population of 35,000 or more and borders or contains a portion of Lake Fork Reservoir;

(13) a county that borders the United Mexican States and in which there is located a national recreation area;

(14) a county that borders the United Mexican States and in which there is located a national park of more than 400,000 acres;

(15) a county that has a population of 28,000 or less, that has no more than four municipalities, and that is located wholly in the Edwards Aquifer Authority established by Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993;

(16) a county that has a population of 25,000 or less, whose territory is less than 750 square miles, and that has two incorporated municipalities, each with a population of 800 or less, located on the Frio River;

(17) a county that has a population of 34,000 or more and borders Lake Buchanan;

(18) a county that has a population of more than 45,000 and less than 75,000, that borders the United Mexican States, and that borders or contains a portion of Falcon Lake;

(19) a county with a population of 21,000 or less that borders the Neches River and in which there is located a national preserve;

(20) a county that has a population of 22,500 or less and that borders or contains a portion of Lake Livingston;

(21) a county that has a population of less than 22,000 and in which the birthplace of a president of the United States is located;

(22) a county that borders or contains a portion of the Neches River, the Sabine River, and Sabine Lake; and

(23) a county that borders Whitney Lake.

(a-1) In addition to the counties described by Subsection (a), the commissioners court of a county in which an airport essential to the economy of the county is located may by the adoption of an order or resolution impose a tax on a person who, under a lease, concession, permit, right of access, license, contract, or agreement, pays for the use or possession or for the right to the use or possession of a room that is in a hotel, costs \$2 or more each day, and is ordinarily used for sleeping. For the purposes of this subsection, an airport is considered to be essential to the economy of a county only if the airport is a commercial-service international airport within Class C airspace and is located in a county and owned by a municipality each having a population of less than 125,000. This subsection does not apply to a county described by Subsection (a) (13).

(b) The price of a room in a hotel does not include the cost of food served by the hotel and the cost of personal services performed by the hotel for the person except for those services related to cleaning and readying the room for use or possession.

(c) The tax does not apply to a person who is a permanent resident under Section 156.101 of this code.

(d) The tax imposed by a county authorized by Subsection (a) (4), (6), (8), (9), (10), (11), (12), (17), (19), (20), (21), or (23) to impose the tax does not apply to a hotel located in a municipality that imposes a tax under Chapter 351 applicable to the hotel. This subsection does not apply to:

(1) a county authorized by Subsection (a) (6) to impose the tax that:

(A) has a population of less than 40,000 and adjoins the most populous county in this state; or

(B) has a population of more than 200,000 and

borders the Neches River; or

(2) a county authorized by Subsection (a)(9) to impose the tax that has a population of more than 9,000.

(e) In addition to the prohibition provided by Subsection (d), the tax imposed by a county authorized by Subsection (a)(17) to impose the tax does not apply to a hotel located in the extraterritorial jurisdiction of a municipality that imposes a tax under Chapter 351 applicable to that hotel. If, after the date the county begins to impose a tax under this chapter, a municipality in the county adopts an ordinance under Section 351.0025 authorizing the imposition of the municipal tax in the municipality's extraterritorial jurisdiction, the county may not impose a tax applicable to a hotel located in that territory on or after the date the municipality begins to impose that tax.

Text of subsection as added by Acts 2007, 80th Leg., R.S., Ch. [24](#),  
§ 1

(f) The tax imposed by a county authorized by Subsection (a)(22) to impose the tax does not apply to a hotel located in a municipality.

Text of subsection as added by Acts 2007, 80th Leg., R.S., Ch. [749](#),  
§ 1

(f) The commissioners court of a county that has a population of 150,000 or more and that is bordered by the Brazos and Navasota Rivers may impose a tax as provided by Subsection (a). This subsection expires September 1, 2015.

Added by Acts 1987, 70th Leg., ch. 191, § 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 2, § 14.26(e), eff. Aug. 28, 1989; Acts 1989, 71st Leg., ch. 695, § 1, eff. June 14, 1989; Acts 1989, 71st Leg., ch. 1110, § 10, eff. Oct. 1, 1989; Acts 1991, 72nd Leg., ch. 328, § 6, eff. Aug. 26, 1991; Acts 1991, 72nd Leg., ch. 597, § 109, eff. Sept. 1, 1991; Acts 1991, 72nd Leg., ch. 866, § 1, eff. Sept. 1, 1991; Acts 1991, 72nd Leg., 1st C.S., ch. 3, § 7.02, 7.03, eff. Sept. 1, 1991; Acts 1993, 73rd Leg., ch. 18, § 1, 2, eff. April 6, 1993; Acts 1995, 74th Leg., ch. 673, § 1, eff. June 15, 1995; Acts 1997, 75th Leg., ch. 117, § 1, eff. May 19, 1997; Acts 1997, 75th Leg., ch. 417, § 1, eff. May 28, 1997; Acts 1997, 75th Leg., ch. 418, § 1, eff. May 28, 1997; Acts 1997, 75th Leg., ch. 469, § 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1492, § 1, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 669, § 125, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1402, § 1, eff. June 26, 2001; Acts 2003, 78th Leg., ch. 64, § 1, eff. May 16, 2003; Acts 2003, 78th Leg., ch. 637, § 1, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 741, § 1, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1097, § 1, eff. June 20, 2003; Acts 2003, 78th Leg., ch. 1108, § 1, eff. June 20, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. [973](#), § 1, eff. June 18, 2005.  
Acts 2005, 79th Leg., Ch. [973](#), § 2, eff. June 18, 2005.  
Acts 2005, 79th Leg., Ch. [1365](#), § 1, eff. June 18, 2005.  
Acts 2005, 79th Leg., Ch. [1365](#), § 2, eff. June 18, 2005.  
Acts 2005, 79th Leg., Ch. [1365](#), § 3, eff. June 18, 2005.  
Acts 2007, 80th Leg., R.S., Ch. [24](#), § 1, eff. May 4, 2007.

2007. Acts 2007, 80th Leg., R.S., Ch. [167](#), § 1, eff. May 22,  
2007. Acts 2007, 80th Leg., R.S., Ch. [749](#), § 1, eff. June 15,  
2007. Acts 2007, 80th Leg., R.S., Ch. [1031](#), § 1, eff. June 15,  
2007. Acts 2007, 80th Leg., R.S., Ch. [1359](#), § 1, eff. June 15,  
2007.

§ 352.003. TAX RATES. (a) Except as provided by this section the tax authorized by this chapter may be imposed at any rate not to exceed seven percent of the price paid for a room in a hotel or, until January 1, 2001, eight percent of the price paid for a room in a hotel in a county with a population of more than 3.3 million.

(b) The county tax rate in a municipality that has a population of 1.9 million or more may not exceed two percent of the price paid for a room in a hotel.

(c) The rate in a county that does not have a municipality may not exceed four percent of the price paid for a room in a hotel. This subsection does not apply to a county that:

- (1) has a population of 10,000 or more; and
- (2) borders the United Mexican States.

(d) The tax rate in a county authorized to impose the tax under Section 352.002(a)(12) may not exceed three percent of the price paid for a room in a hotel.

(e) The tax rate in a county authorized to impose the tax under Section 352.002(a)(6) and that has a population of less than 40,000 and adjoins the most populous county in this state may not exceed three percent of the price paid for a room in a hotel.

(f) The tax rate in a county that borders the Gulf of Mexico, has a population of more than 200,000, and borders the Neches River may not exceed two percent of the price paid for a room in a hotel in the county.

(g) The tax rate in a county authorized to impose the tax under Section 352.002(a)(18) may not exceed two percent of the price paid for a room in a hotel.

Text of subsection as added by Acts 2007, 80th Leg., R.S., Ch. [167](#),  
§ 2

(h) The tax rate in a county authorized to impose the tax under Section 352.002(a-1) may not exceed one percent of the price paid for a room in a hotel in the county.

Text of subsection as added by Acts 2007, 80th Leg., R.S., Ch. [749](#),  
§ 2

(h) The tax rate in a county authorized to impose the tax under Section 352.002(f) may not exceed two percent of the price paid for a room in a hotel. This subsection expires September 1, 2015.

Text of subsection as added by Acts 2007, 80th Leg., R.S., Ch. [1031](#),  
§ 2

(h) The tax rate in a county authorized to impose the tax under Section 352.002(a)(22), (23), (24), or (25) may not exceed

two percent of the price paid for a room in a hotel.

Text of subsection as added by Acts 2007, 80th Leg., R.S., Ch. [1359](#),  
§ 2

(h) The tax rate in a county authorized to impose the tax under Section 352.002(a)(22) may not exceed two percent of the price paid for a room in a hotel.

Added by Acts 1987, 70th Leg., ch. 191, § 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 2, § 14.25(a), eff. Aug. 28, 1989; Acts 1995, 74th Leg., ch. 591, § 1, eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 418, § 2, eff. May 28, 1997; Acts 1999, 76th Leg., ch. 1492, § 2, eff. June 19, 1999; Acts 2001, 77th Leg., ch. 669, § 126, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1402, § 2, eff. June 26, 2001; Acts 2003, 78th Leg., ch. 741, § 2, eff. June 20, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. [24](#), § 2, eff. May 4, 2007.  
Acts 2007, 80th Leg., R.S., Ch. [167](#), § 2, eff. May 22, 2007.  
Acts 2007, 80th Leg., R.S., Ch. [319](#), § 1, eff. June 15, 2007.  
Acts 2007, 80th Leg., R.S., Ch. [749](#), § 2, eff. June 15, 2007.  
Acts 2007, 80th Leg., R.S., Ch. [1031](#), § 2, eff. June 15, 2007.  
Acts 2007, 80th Leg., R.S., Ch. [1359](#), § 2, eff. June 15, 2007.

§ 352.1034. USE OF REVENUE AND RELATED

ISSUES: MID-SIZED COUNTY BORDERING BRAZOS AND NAVASOTA RIVERS.

(a) This section applies only to a county authorized to impose a tax by Section 352.002(f).

(b) The county must spend at least 45 percent of the revenue from the tax on marketing projects that directly promote tourism, hotel, and convention activity.

(c) The county shall produce an annual report indicating the tourism, hotel, and convention activity attributable to events held at facilities that receive money from the tax.

(d) The county shall create an advisory committee to oversee spending of the tax. The committee must include at least two representatives from the hotel industry.

(e) This section expires September 1, 2015.

Added by Acts 2007, 80th Leg., R.S., Ch. [749](#), § 3, eff. June 15, 2007.

Text of section as added by Acts 2007, 80th Leg., R.S., Ch. [1359](#),  
§ 3

For text of section as added by Acts 2007, 80th Leg., R.S., Ch. [749](#),  
§ 3, see other § 352.1034.

§ 352.004. TAX COLLECTION; PENALTY. (a) The owner or operator of a hotel shall report and send the taxes collected under this chapter to the county as provided by the resolution or order

imposing the tax.

(b) If the owner fails to report when required or pay the tax when due, the owner shall pay a penalty of five percent of the amount of the tax due. If the owner fails to file the report or pay the tax before the 31st day after the date that the report or tax payment was due, he shall pay an additional penalty of five percent of the amount of the tax due.

(c) Delinquent taxes and accrued penalties draw interest at the rate of 10 percent a year beginning 60 days after the date on which the tax was due.

(d) The county attorney may bring suit against a person who is required to collect the tax imposed by this chapter and pay the collections over to the county and who has failed to file a tax report or pay the tax when due to collect the tax not paid or to enjoin the person from operating a hotel in the county until the tax is paid or the report filed, as applicable, as provided by the court's order. The remedy provided by this subsection is in addition to other available remedies.

Added by Acts 1987, 70th Leg., ch. 191, § 1, eff. Sept. 1, 1987.  
Amended by Acts 1989, 71st Leg., ch. 1110, § 11, eff. Oct. 1, 1989.

§ 352.1015. USE OF REVENUE: GENERAL PROVISIONS.

(a) The commissioners court of a county by contract may delegate to a person, including another governmental entity or a private organization, the management or supervision of programs and activities funded with revenue from the tax authorized by this chapter. The commissioners court in writing shall approve in advance the annual budget of the person to which it delegates those functions and shall require the person to make periodic reports to the commissioners court at least quarterly listing the expenditures made by the person with revenue derived from the tax authorized by this chapter. The person must maintain revenue provided from the tax authorized by this chapter in a separate account established for that purpose and may not commingle that revenue with any other money. The commissioners court may not delegate to any person the management or supervision of its tourist and convention programs and activities funded with revenue from the tax authorized by this chapter other than by contract as provided by this subsection. The approval by the commissioners court of the county of the annual budget of the person to whom the commissioners court delegates those functions creates a fiduciary duty in the person with respect to the revenue provided by the tax authorized under the contract.

(b) A person with whom a county contracts under this section shall maintain complete and accurate financial records of each expenditure of hotel occupancy tax revenue made by the person and, on request of the commissioners court of the county or other person, shall make the records available for inspection and review to the commissioners court or other person.

(c) Hotel occupancy tax revenue spent for a purpose authorized by this section may be spent for day-to-day operations, supplies, salaries, office rental, travel expenses, and other administrative costs only if those administrative costs are incurred directly in the promotion and servicing expenditures authorized by the applicable provisions of this subchapter governing the use of revenue by that particular county. If a county or other public or private entity that conducts an activity authorized by the applicable provisions of this subchapter

governing the use of revenue by that particular county conducts other activities that are not authorized, the portion of the total administrative costs of the entity for which hotel occupancy tax revenue may be used may not exceed the portion of those administrative costs actually incurred in conducting the authorized activities.

(d) County hotel occupancy tax revenue may not be spent for travel for a person to attend an event or conduct an activity the primary purpose of which is not directly related to the promotion of tourism and the convention and hotel industry or the performance of the person's job in an efficient and professional manner.

(e) Revenue derived from the tax authorized by this chapter is to be expended in a manner directly enhancing and promoting tourism and the convention and hotel industry as permitted by the applicable provisions of this subchapter governing the use of revenue by that particular county. That revenue may not be used for the general revenue purposes or general governmental operations of a county.

Added by Acts 1993, 73rd Leg., ch. 643, § 3, eff. Sept. 1, 1993.

§ 352.1034. CERTAIN COUNTIES BORDERING WHITNEY LAKE. The revenue from a tax imposed under this chapter by a county authorized to impose the tax by Section 352.002(a)(23) may be used only for the purpose described in Section 352.101(a)(3) and only in relation to unincorporated areas of the county.

Added by Acts 2007, 80th Leg., R.S., Ch. [1359](#), § 3, eff. June 15, 2007.