

COPY

**ORDER OF THE COMMISSIONERS COURT
OF
SAN JACINTO COUNTY, TEXAS**

WHEREAS, in a regularly scheduled meeting of the San Jacinto County Commissioners Court held on July 8, 2003 where and among other business was had, the Court approved this order, as follows:

FOR THE PURPOSE OF SETTING A RATE OF SEVEN PERCENT (7.00%) FOR A COUNTY HOTEL OCCUPANCY TAX AND THE RULES, REGULATIONS AND PROCEDURES FOR COLLECTION AND REPORTING OF SAID TAX IN SAN JACINTO COUNTY, TEXAS (as authorized by V.T.S.C.A.- Tax Code, Title 3, Subtitle D, Chapter 352, Subchapter A.,B)

- I. **DEFINITION OF TERMS.** The following words, terms and phrases are, for the purpose of this article, except where the context clearly indicates a different meaning, defined as follows:
 - (A) "Hotel" shall mean a building in which members of the public obtain sleeping accommodations for consideration. The term includes a hotel, motel, tourist home, tourist house, tourist court, lodging house, inn, or rooming house or "Bed and Breakfast", but does not include a hospital, sanitarium, nursing home or school dormitory or other housing facility owned or leased by an institution of higher education.
 - (B) "Consideration" shall mean the cost paid under a lease, concession, permit, right of access, license, contract or agreement for the use or possession or for the right to use or possess a room that is in a hotel, costs two dollars (\$2.00) or more each day and is ordinarily used for sleeping and shall not include the cost of any food served or personal service rendered to the occupant not related to cleaning and readying such room or space for occupancy and shall not include any tax assessed for occupancy thereof by any other governmental agency.
 - (C) "Occupancy" shall mean the use or possession, or the right to use or possess any room in a hotel that costs two dollars (\$2.00) or more per day and is ordinarily used for sleeping. "Occupant" shall be anyone who, for a consideration, uses, possesses or has a right to use or possess a room in a hotel under any lease, concession, permit, right of access, license, contract or agreement other than a permanent resident.
 - (D) "Person" shall mean any individual, company, corporation or association owning, operating, managing or controlling any hotel.
 - (E) "Treasurer" shall mean the County Treasurer of San Jacinto County, Texas.

- (F) "Quarterly Period" shall mean the regular calendar quarters of the year, the first quarter being composed of the months of January, February and March, the second quarter being the months of April, May and June, the third quarter being the months of July, August and September, and the fourth quarter being the months of October, November and December.
- (G) "Tourist" shall mean an individual who travels from the individual's residence to a different municipality, county, state or country for pleasure, recreation, education or culture.
- (H) "Tourism" shall mean the guidance or management of tourists.
- (I) "Convention Center Facilities" or "Convention Center Complex" means civic centers, civic center building, auditoriums, exhibition halls and coliseums that are owned by the County or that are managed in whole or part by the County. The term includes parking areas or facilities.
- (J) "Visitor Information Center" or "Tourism Information Center" means a building or portion of a building used to distribute or disseminate information to tourists.

II. LEVY OF TAX: RATE; EFFECTIVE DATE;

- (A) There is hereby levied a tax upon an occupant who, under a lease, concession, permit, right of access, license, contract or agreement, pays for the use or possession or the right to the use or possession of a room that is in a hotel, cost \$2 or more each day, and is ordinarily used for sleeping. Such tax shall be equal to seven percent (7.00%) of the consideration paid by the occupant of such room, space or facility, to such hotel, exclusive of other occupancy taxes imposed by other governmental agencies. This tax rate shall be effective October 1, 2003. This tax rate does not apply to the tax imposed on the use or possession of a room under a contract executed by and between an occupant and a hotel before the effective date of this Order if the contract provides for the payment of occupancy tax at the rate in effect when the contract was executed, unless the contract is subject to change or modification by reason of a tax rate increase.

III. USE OF REVENUE.

- (A) Revenue derived from the tax authorized by this order is to be expended in a manner directly enhancing and promoting tourism and the convention and hotel industry as permitted by applicable law, including, but not necessarily limited to;

1. the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation and maintenance of Convention Center facilities and/or Visitor-Information Center;
2. Advertising and conducting solicitations and promotional programs to attract tourists to the County;
3. the encouragement, promotion, improvement and application of the arts which are related to the presentation, performance, execution and exhibition of major art forms;
4. historic restoration and preservation projects or activities, soliciting or promoting programs to encourage tourists to visit preserved historic sites or museums with the County that would be frequented by tourists.
5. the Commissioners Court, by contract, may delegate to a person including another governmental entity or private organization, the management or supervision of programs and activities funded with revenue from the tax authorized by this Order and in accordance with state law regarding the same.

(8) Revenue derived from the tax authorized by this order may not be used for the general revenue purposes or general governmental operations of San Jacinto County.

IV. EXEMPTIONS.

- (A) The County Hotel Occupancy Tax shall not apply to a person who is a permanent resident of a hotel, which, for the purposes herein, means a person who has the right to use or possess a room in a hotel for a period of at least thirty (30) consecutive days, so long as there is not interruption of payment for the period,
- (B) The County Hotel Occupancy Tax shall not apply to any person or entity exempt under the provisions of Chapter 352 of the Tax Code of the State of Texas.
- (C) The County Hotel Occupancy Tax shall not apply to a Hotel or other applicable facilities located within the limits of a municipality or incorporated city in San Jacinto County which has authorized and collects an occupancy tax for that municipality or incorporated city,

V. TAX COLLECTION: REPORTING: PENALTIES,

- (A) Every person owning, operating, managing or controlling any hotel other than those included in the aforementioned exemptions, shall collect the tax imposed in this order for, San Jacinto County, Texas.

(B) On the last day of the month following each quarterly period, every person required in this Section to collect the tax imposed herein shall file a report with the County Treasurer in the form prescribed by the County. The Report shall show the consideration paid for all room occupancies and any other information as the County may reasonably require. Such person shall pay the amount of tax collected during the period of the report at the time of filing the report with the County treasurer.

- 1. The County Treasurer shall have the power to impose such rules and regulations as are necessary to effectively collect the tax levied herein, and shall upon reasonable notice, have access to books and records necessary to enable the County to determine the accurateness of any report filed under this order and the amount of taxes due under the provision of this order. Further, the County Treasurer may request, and shall receive within a reasonable time, documentation of information contained with the report to the County by the Hotel.**

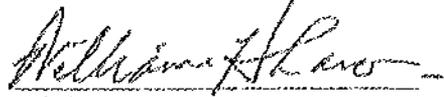
(C) The owner or operator of a hotel or applicable facility shall report and send the taxes under this Order to the County in a timely manner and as proved within this Order.

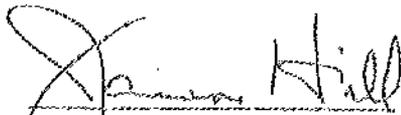
- 1. If the person required to collect the tax should fail to report when required or pay the tax when due, the person shall pay a penalty of five (5) percent of the amount of the tax due. If the person fails to file a report or pay the tax before the 31st day after the date that the report or the tax payment was due, the person shall pay an additional penalty of five percent (5.00%) of the amount of the tax due to the County or a total penalty of ten percent (10.00%).**
- 2. The Criminal District Attorney of San Jacinto County may bring suit against a person who is required to collect the tax imposed by this order and pay the collections over to the County and who has failed to file a tax report when required 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 this order. The remedy provided by this subsection is in addition to other available remedies.**

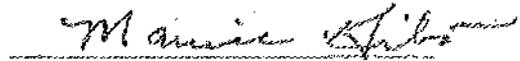
VI. SEVERABILITY.

In the event that any one or more of the provisions, clauses, sections or words in this Order of the application hercof to any situation or circumstance shall for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not effect any other provisions, clauses sections or words of the Order of the application thereof to any other situation or circumstance and it is intended that this Order shall be severable and that it shall be construed and applied as is such invalid or unconstitutional provision, clause, section or word had not been included herein.

APPROVED AND ADOPTED THIS 8TH DAY OF JULY, 2003.


William Law, County Judge


Commissioner James Hill


Commissioner Maurice Gibson


Commissioner Thomas Bonds


Commissioner Joe Johnson

Attest:


Charlene Vann, County Clerk