

ARTICLE V.

HOTEL OCCUPANCY TAX.

SEC. 44-34. DEFINITIONS.

In this article:

(1) CONSIDERATION means the cost of a room in a hotel, and does not include:

(A) the cost of any food served or personal services rendered to the occupant not related to cleaning and readying the room or space for occupancy; or

(8) any tax assessed by any other governmental agency for occupancy of the room.

(2) CONVENTION CENTER COMPLEX means civic centers, civic center buildings, auditoriums, exhibition halls, and coliseums that are owned by the city or other governmental entity or that are managed in whole or part by the city. The term includes parking areas or facilities that are for the parking or storage of conveyances and that are located at or in the vicinity of other convention center facilities.

(3) DIRECTOR means the director of the department designated by the city manager to enforce and administer this article, or the director's designated representative.

(4) HOTEL means any 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, rooming house, or bed and breakfast. The term does not include:

(A) a hospital, sanitarium, or nursing home; or

(B) a dormitory or other housing facility owned or leased and operated by an institution of higher education or a private or independent institution of higher education, as those terms are defined by Section 61.003 of the Texas Education Code, as amended, that is used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution.

(5) OCCUPANCY means the use or possession, or the right to the use or possession, of any room in a hotel.

(6) OCCUPANT means any person who, for a consideration, uses, possesses, or has a right to use or possess any room in a hotel under any lease, concession, permit, right of access, license, contract, or agreement.

(7) TAX means the hotel occupancy tax levied in this article pursuant to Chapter 351 of the Texas Tax Code , as amended.

(8) TOURIST means an individual who travels from the individual's residence to a different municipality, county, state, or country for pleasure, recreation, education, or culture.

(9) VISITOR INFORMATION CENTER means a building or a portion of a building used to distribute or disseminate information to tourists. (Ord. Nos. 12470; 17955; 20073; 22026; 23555)

SEC. 44-35. LEVY; AMOUNT; DISPOSITION OF REVENUE.

(a) There is hereby levied a tax upon the occupant of any room that:

(1) is in a hotel;

(2) is ordinarily used for sleeping; and

(3) the cost of occupancy of which is \$2 or more each day.

(b) The tax is equal to seven percent of the consideration paid by the occupant of the room to the hotel.

(c) Disposition of revenues collected from the seven percent tax must be as follows:

(1) 4.718 percent must be paid prior to any other dispositions of revenue to:

(A) the acquisition of sites for and the constructing, improving, enlarging, equipping, repairing, operating, and maintaining of the convention center complex or visitor centers, or both; or

(8) pledging payment of bonds as authorized by Chapter 1504 of the Texas Government Code, as amended.

(2) 1.232 percent to advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the city;

(3) 1.050 percent to:

(A) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms; and

(8) historical restoration and preservation projects to encourage tourists and convention delegates to visit preserved historic sites or museums:

(1) at or in the immediate vicinity of convention center facilities or visitor information centers; or

(2) located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates.

(Ord. Nos. 12470; 12572; 15555; 15684; 17955; 19631; 19997;23555;23915; [29880](#) ;[31554](#);[33028](#))

SEC. 44-35.1. EXEMPTIONS AND REFUNDS.

(a) A person described in Section 156.101 or Section 156.103(d) of the Texas Tax Code, as amended, is exempt from the payment of the tax imposed under this article.

(b) A governmental entity excepted from the tax imposed by Chapter 156 of the Texas Tax Code, as amended, under Section 156.103(a)(1) or (a)(3) of that chapter shall pay the tax imposed by this article, but is entitled to a refund of the tax paid.

(c) A person described in Section 156.103(c) of the Texas Tax Code, as amended, shall pay the tax imposed by this article, but the state governmental entity with whom the person is associated is entitled to a refund of the tax paid.

(d) To receive a refund of tax paid under this article, the governmental entity entitled to the refund must file a refund claim with the director on a form prescribed by the state comptroller and provided by the director. A governmental entity may file a refund claim with the director only for each calendar quarter for all reimbursements accrued during that quarter. (Ord. 23555)

SEC. 44-36. RESPONSIBILITY FOR COLLECTION, REPORTING, AND PAYMENT OF TAX.

Every person owning, operating, managing, or controlling any hotel shall collect the tax for the city and report and pay the tax to the city in accordance with all requirements and procedures set forth in this article. (Ord. Nos. 12470; 17955; 23555)

SEC. 44-37. REPORTS; PAYMENTS; FEES.

(a) On the 15th day of the month following each month in which a tax is earned, every person required by this article to collect the tax shall file a report with the director showing:

- (1) the consideration paid for all occupancies in the preceding month;
- (2) the amount of the tax collected on the occupancies; and
- (3) any other information the director may reasonably require.

(b) Every person required by this article to collect the tax shall pay the tax due on all occupancies in the preceding month to the director at the time of filing the report required under Subsection (a) of this section.

(c) Every person collecting a tax under this article may deduct a one percent collection fee from the gross amount of tax collected on all occupancies in the preceding month if the tax is paid to and received by the director no later than the 15th day of the month following the month in which the tax is required to be collected. If the 15th day falls on a weekend or holiday, the director must receive the tax by the next business day. If the tax is paid by mail, the date of receipt by the director is the date postmarked by the U.S. Postal Service.

(d) Each remittance of a tax required by this article must contain the following statement and representation:

The tax remitted and paid to the City of Dallas with this report was collected pursuant to the requirements of Article V, Chapter 44, Dallas City Code, as amended.

(Ord. Nos. 12470; 17955;23555)

SEC. 44-37.1. TAX COLLECTION ON PURCHASE OF A HOTEL.

(a) If a person who is liable for the payment of a tax under this article is the owner of the hotel and sells the hotel, the successor to the seller or the seller's assignee shall withhold an amount of the purchase price sufficient to pay the tax due until the seller provides a receipt from the director showing that the amount has been paid or a certificate stating that no tax is due.

(b) The purchaser of a hotel who fails to withhold an amount of the purchase price as required by this section is liable for the amount required to be withheld to the extent of the value of the purchase price.

(c) The purchaser of a hotel may request that the director issue a certificate stating that no tax is due or issue a statement of the amount required to be paid before a certificate may be issued. The director shall issue the certificate or statement not later than 60 days after receiving the request.

(d) If the director fails to issue the certificate or statement within the period provided by Subsection (c) of this section, the purchaser is released from the obligation to withhold the purchase price or pay the amount due. (Ord. Nos. 19388; 23555)

SEC. 44-37.2. CONVENIENCE CHARGE FOR CERTAIN PAYMENTS MADE BY CREDIT CARD.

(a) Pursuant to Chapter 132 of the Texas Local Government Code, as amended, the director shall collect a convenience fee charge in an amount equal to the credit card processing fee charged to the city for all fees, taxes, and payments included in this article, when the payment is made by credit card.

(b) The convenience fee charge collected under this section shall be deposited in the fund of the city which recorded the associated credit card processing fee. (Ord. [31332](#), eff. 10/1/19)

SEC. 44-38. RULES AND REGULATIONS.

The director shall have the power to make any rules and regulations necessary to effectively collect the tax. The director shall, upon giving reasonable notice, have access to all books and records

necessary to enable him to determine the correctness of any report filed as required by this article and the amount of taxes due under this article. (Ord. Nos. 12470; 17955)

SEC. 44-39. PENALTIES.

(a) A person commits an offense if he:

- (1) fails to collect the tax imposed by this article;
- (2) fails to file a report as required by this article;
- (3) fails to pay the director the tax when payment is due;
- (4) files a false report; or
- (5) fails to comply with Section 44-37.1(a) when purchasing a hotel.

(b) An offense committed under Subsection (a) of this section is punishable by a fine not to exceed \$500.

(c) In addition to any criminal penalties imposed under Subsection (b) of this section, a person failing to pay the tax to the director within three months following the tax due date shall pay an amount equal to 15 percent of the tax due as a penalty. Delinquent taxes draw interest at the rate of 10 percent per year beginning the first day after the tax is due to the director until the tax is paid.

(d) In addition to the amount of any tax owed, a person is liable to the city for all reasonable attorney's fees incurred by the city in enforcing this article against the person and in collecting any tax owed by the person under this article. (Ord. Nos. 12470; 17955; 19388; 19963; 23555; [33302](#))

ARTICLE VII.

ADDITIONAL HOTEL OCCUPANCY TAX.

SEC. 44-48. DEFINITIONS.

In this article:

(1) ACT means Chapter 334, Local Government Code, as amended.

(2) APPROVED VENUE PROJECTS means the Convention Center Expansion Venue Project and Fair Park Facilities Venue Project that were approved by a majority of the voters voting at the election held in the city on November 8, 2022, in accordance with the Act.

(3) CITY means the city of Dallas, Texas.

(4) CONSIDERATION means the cost of a room in a hotel, and does not include:

(A) the cost of any food served or personal services rendered to the occupant not related to cleaning and readying the room or space for occupancy; or

(8) any tax assessed by any other governmental agency for occupancy of the room.

(5) DIRECTOR means the director of the department designated by the city manager to enforce and administer this article, or the director's designated representative.

(6) HOTEL means any 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, rooming house, or bed and breakfast. For the purposes of the imposition of the tax under this chapter, "hotel" includes a "short term rental." The term does not include:

(A) a hospital, sanitarium, or nursing home; or

(B) a dormitory or other housing facility owned or leased and operated by an institution of higher education or a private or independent institution of higher education, as those terms are defined by Section 61.003 of the Texas Education Code, as amended, that is used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution.

(7) OCCUPANCY means the use or possession, or the right to the use or possession, of any room in a hotel.

(8) OCCUPANT means any person who, for a consideration, uses, possesses, or has a right to use or possess any room in a hotel under any lease, concession, permit, right of access, license, contract, or agreement.

(9) SHORT TERM RENTAL means the rental of all or part of a residential property to a person who is not a permanent resident under Texas Tax Code Section 156.101.

(10) TAX means the hotel occupancy tax levied in this article pursuant to Chapter 334 of the Texas Local Government Code, as amended.

(11) VENUE PROJECTS FUND means the fund entitled the "Venue Projects Fund," created in Resolution No. 22-1817, adopted by the city council on December 14, 2022, as it may be amended. (Ord. Nos.23555; [32363](#))

SEC. 44-49. LEVY OF TAX; AMOUNT; DURATION.

(a) In addition to the hotel occupancy tax levied in Section 44-35 of this chapter, there is hereby levied a tax upon an occupant of any room that:

- (1) is in a hotel;
- (2) is ordinarily used for sleeping; and
- (3) the cost of occupancy of which is \$2 or more each day.

(b) The tax is equal to two percent of the consideration paid by the occupant of the room to the hotel.

(c) The tax imposed under this section must be collected on every occupancy occurring on or after January 1, 2023, and must continue to be collected for so long as any bonds or other obligations that are issued by the city under Section 334.043 of the Act for the purpose of financing a portion of the costs of the approved venue projects, and any bonds refunding or refinancing those bonds or other obligations, are outstanding and unpaid. (Ord. Nos. 23555; [32363](#))

SEC. 44-50. USE OF TAX REVENUE.

(a) The revenue derived from the two percent tax imposed under this article must be deposited in the 2% HOT Account within the Venue Projects Fund established by Resolution No.22-1817. Money in this account may be used only for the following purposes:

(1) to reimburse the city for prior expenditures made in connection with, or to pay the costs of, planning, acquiring, establishing, developing, constructing, or renovating the approved venue projects to the extent not prohibited by any ordinance or indenture authorizing bonds or other obligations payable from and secured by a pledge of the two percent tax imposed under this article;

(2) to pay the principal of, interest on, and other costs relating to bonds or other obligations issued by the city, or to refund bonds or other obligations, that were issued for the purpose of providing the approved venue projects; and

(3) such other uses as permitted by applicable law.

(b) For purposes of Subsection (a)(1) of this section, "costs" include, but are not limited to, overhead, legal, and accounting expenses of the city. (Ord. Nos. 23555; [32363](#))

SEC. 44-51. EXEMPTIONS AND REFUNDS.

(a) A person described in Section 156.101 or Section 156.103(d) of the Texas Tax Code, as amended, is exempt from the payment of the tax imposed under this article.

(b) A governmental entity excepted from the tax imposed by Chapter 156 of the Texas Tax Code, as amended, under Section 156.103(a)(1) or (a)(3) of that chapter shall pay the tax imposed by this article, but is entitled to a refund of the tax paid.

(c) A person described in Section 156.103(c) of the Texas Tax Code, as amended, shall pay the tax imposed by this article, but the state governmental entity with whom the person is associated is entitled to a refund of the tax paid.

(d) To receive a refund of tax paid under this article, the governmental entity entitled to the refund must file a refund claim with the director on a form prescribed by the state comptroller and provided by the director. A governmental entity may file a refund claim with the director only for each calendar quarter for all reimbursements accrued during that quarter. (Ord. 23555)

SEC. 44-52. RESPONSIBILITY FOR COLLECTION, REPORTING, AND PAYMENT OF TAX; STATEMENT OF TAX PURPOSE REQUIRED.

(a) Every person owning, operating, managing, or controlling any hotel shall collect the tax for the city and report and pay the tax to the city in accordance with all requirements and procedures set forth in this article.

(b) Each bill or other receipt for a hotel charge subject to the tax imposed by this article must contain a statement in a conspicuous location stating:

The City of Dallas requires that an additional tax of two percent be imposed on each hotel charge for the purpose of financing venue projects, consisting of the Convention Center Expansion Venue Project and Fair Park Facilities Venue Project approved by the voters of the city on November 8, 2022.

(Ord. Nos.23555; [32363](#))

SEC. 44-53. REPORTS; PAYMENTS; FEES.

(a) On the 15th day of the month following each month in which a tax is earned, every person required by this article to collect the tax shall file a report with the director showing:

- (1) the consideration paid for all occupancies in the preceding month;
- (2) the amount of the tax collected on the occupancies; and
- (3) any other information the director may reasonably require.

(b) Every person required by this article to collect the tax shall pay the tax due on all occupancies in the preceding month to the director at the time of filing the report required under Subsection (a) of this section.

(c) Every person collecting a tax under this article may deduct a one percent collection fee from the gross amount of tax collected on all occupancies in the preceding month if the tax is paid to and received by the director no later than the 15th day of the month following the month in which the tax is required to be collected. If the 15th day falls on a weekend or holiday, the director must receive the tax by the next business day. If the tax is paid by mail, the date of receipt by the director is the date postmarked by the U.S. Postal Service.

(d) Each remittance of a tax required by this article must contain the following statement and representation:

The tax remitted and paid to the City of Dallas with this report was collected pursuant to the requirements of Article VII, Chapter 44, Dallas City Code, as amended.

(Ord. 23555)

SEC. 44-54. TAX COLLECTION ON PURCHASE OF A HOTEL.

(a) If a person who is liable for the payment of a tax under this article is the owner of the hotel and sells the hotel, the successor to the seller or the seller's assignee shall withhold an amount of the purchase price sufficient to pay the tax due until the seller provides a receipt from the director showing that the amount has been paid or a certificate stating that no tax is due.

(b) The purchaser of a hotel who fails to withhold an amount of the purchase price as required by this section is liable for the amount required to be withheld to the extent of the value of the purchase price.

(c) The purchaser of a hotel may request that the director issue a certificate stating that no tax is due or issue a statement of the amount required to be paid before a certificate may be issued. The director shall issue the certificate or statement not later than 60 days after receiving the request.

(d) If the director fails to issue the certificate or statement within the period provided by Subsection (c) of this section, the purchaser is released from the obligation to withhold the purchase price or pay the amount due. (Ord. 23555)

SEC. 44-55. RULES AND REGULATIONS.

The director shall have the power to make any rules and regulations necessary to effectively collect the tax. The director shall, upon giving reasonable notice, have access to all books and records necessary to enable the director to determine the correctness of any report filed as required by this article and the amount of taxes due under this article. (Ord. 23555)

SEC. 44-56. PENALTIES.

(a) A person commits an offense if he:

- (1) fails to collect the tax imposed by this article;
- (2) fails to file a report as required by this article;
- (3) fails to pay the director the tax when payment is due;
- (4) files a false report; or
- (5) fails to comply with Section 44-54(a) when purchasing a hotel.

(b) An offense committed under Subsection (a) of this section is punishable by a fine not to exceed \$500.

(c) In addition to any criminal penalties imposed under Subsection (b) of this section, a person failing to pay the tax to the director within three months following the tax due date shall pay an amount equal to 15 percent of the tax due as a penalty. Delinquent taxes draw interest at the rate of 10 percent per year beginning the first day after the tax is due to the director until the tax is paid.

(d) In addition to the amount of any tax owed, a person is liable to the city for all reasonable attorney's fees incurred by the city in enforcing this article against the person and in collecting any tax owed by the person under this article. (Ord. Nos. 23555; [33302](#))