



**STATE OF TEXAS RESTRICTIONS  
FOR HOT TAX USAGE**

**For Additional Information:**

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**STATE OF TEXAS RESTRICTIONS FOR HOTEL TAX USAGE****CRITERIA #1:**

Every expenditure must DIRECTLY enhance and promote tourism AND the convention and hotel industry.

**CRITERIA #2:**

Every expenditure of the hotel occupancy tax must clearly fit into one of nine statutorily provided categories for expenditure of local hotel occupancy tax revenues. The nine categories for expenditure of the hotel occupancy tax are as follows:

- 1) Funding the establishment, improvement, or maintenance of a convention center or visitor information center.
- 2) Paying the administrative costs for facilitating convention registration.
- 3) Paying for advertising, solicitations, and promotions that attract tourists and convention delegates to the city or its vicinity.
- 4) Expenditures that promote the arts.
- 5) Funding historical restoration or preservation programs.
- 6) Funding certain expenses, including promotional expenses, directly related to a sporting event within counties with a population of under 1 million.
- 7) Funding the enhancement or upgrading of existing sports facilities or sports fields for certain municipalities
- 8) Funding transportation systems for tourists
- 9) Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.

Details about these regulations can be found at [www.comptroller.texas.gov](http://www.comptroller.texas.gov).