

2017 Regular Session

SENATE BILL NO. 244

BY SENATOR CARTER

TAX/TAXATION. Provides relative to the definition of hotel for purposes of certain sales and hotel occupancy taxes. (7/1/17)

1 AN ACT

2 To amend and reenact R.S. 33:4574.1(A)(1)(b) and 4574.1.1(C)(1) and to enact R.S.
3 47:301(6)(d), relative to certain state and local sales taxes; to exclude certain
4 facilities from the definition of hotel for purposes of sales taxes and hotel occupancy
5 taxes; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 33:4574.1(A)(1)(b) and 4574.1.1(C)(1) are hereby amended and
8 reenacted to read as follows:

9 §4574.1. Taxes; occupancy; sales and use

10 A.(1) * * *

11 (b) The word "hotel" as used ~~herein~~ **in this Section** shall mean and include
12 any establishment, both public and private, engaged in the business of furnishing or
13 providing rooms and overnight camping facilities intended or designed for dwelling,
14 lodging, or sleeping purposes to transient guests where such establishment consists
15 of two or more guest rooms and does not encompass any hospital, convalescent or
16 nursing home or sanitarium, or any hotel-like facility operated by or in connection
17 with a hospital or medical clinic providing rooms exclusively for patients and their

1 families. The word "hotel" used ~~herein~~ **in this Section** shall not include camp and
 2 retreat facilities owned and operated by nonprofit organizations exempt from federal
 3 income tax under Section 501(a) of the Internal Revenue Code as an organization
 4 described in Section 501(c)(3) of the Internal Revenue Code provided that the net
 5 revenue derived from the organization's property is devoted wholly to the nonprofit
 6 organization's purposes. **The word "hotel" shall not include a facility that**
 7 **provides sleeping accommodations to transient individuals if each occupant**
 8 **permanently resides elsewhere and is housed at the facility solely as an incident**
 9 **of employment and at the direction of his employer and each occupant's**
 10 **employer is solely responsible for the direct payment of bills related to the**
 11 **occupant's housing at the facility and the facility does not provide sleeping**
 12 **accommodations to the general public.**

* * *

14 §4574.1.1. Occupancy taxes levied by the commissions

* * *

16 C.(1) The word "hotel" as used in this Section shall mean and include any
 17 establishment, either public or private, engaged in the business of furnishing or
 18 providing rooms and overnight camping facilities intended or designed for dwelling,
 19 lodging, or sleeping purposes to transient guests where such establishment consists
 20 of two or more guest rooms and does not encompass any hospital, convalescent or
 21 nursing home or sanitarium, or any hotel-like facility operated by or in connection
 22 with a hospital or medical clinic providing rooms exclusively for patients and their
 23 families. **The word "hotel" shall not include a facility that provides sleeping**
 24 **accommodations to transient individuals if each occupant permanently resides**
 25 **elsewhere and is housed at the facility solely as an incident of employment and**
 26 **at the direction of his employer and each occupant's employer is solely**
 27 **responsible for the direct payment of bills related to the occupant's housing at**
 28 **the facility and the facility does not provide sleeping accommodations to the**
 29 **general public.**

1 * * *

2 Section 2. R.S. 47:301(6)(d) is hereby enacted to read as follows:

3 §301. Definitions

4 As used in this Chapter the following words, terms, and phrases have the
5 meanings ascribed to them in this Section, unless the context clearly indicates a
6 different meaning:

7 * * *

8 (6)

9 * * *

10 **(d) For purposes of the sales and use taxes of all tax authorities in this**
11 **state, the term "hotel" shall not include a facility that provides sleeping**
12 **accommodations to transient individuals if each occupant permanently resides**
13 **elsewhere and is housed at the facility solely as an incident of employment and**
14 **at the direction of his employer and each occupant's employer is solely**
15 **responsible for the direct payment of bills related to the occupant's housing at**
16 **the facility and the facility does not provide sleeping accommodations to the**
17 **general public.**

18 * * *

19 Section 3. This Act shall become effective on July 1, 2017.

The original instrument was prepared by Jerry J. Guillot. The following digest, which does not constitute a part of the legislative instrument, was prepared by James Benton.

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Present law defines the word "hotel" for purposes of state and local sales taxes and for purposes of hotel occupancy taxes levied by or for local tourist commissions. Generally a hotel is a facility that provides sleeping accommodations to transient guests. Present law provides for exclusion of specified facilities from the definition.

Proposed law excludes from the definition of a hotel, a facility that provides sleeping accommodations to transient individuals if each occupant permanently resides elsewhere and is housed at the facility solely as an incident of employment and at the direction of his employer and each occupant's employer is solely responsible for the direct payment of bills related to the occupant's housing at the facility and the facility does not provide sleeping accommodations to the general public.

Effective July 1, 2017.

(Amends R.S. 33:4574.1(A)(1)(b) and 4574.1.1(C)(1); adds R.S. 47:301(6)(d))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Clarifies that the employer is solely responsible for direct payment of bills related to the employee's housing.
2. Adds requirement that the facility not provide accommodations to the general public.