

2019 Regular Session

HOUSE BILL NO. 522

BY REPRESENTATIVE ABRAMSON

TAX/SALES-USE, LOCAL: Provides relative to the levy of sales and use taxes in the city of New Orleans

1 AN ACT

2 To amend and reenact the third unnumbered Subparagraph of Paragraph (M) of Section 47

3 of Article XIV of the Constitution of 1921, continued as statute by Article XIV,

4 Section 16, of the Constitution of 1974, relative to the city of New Orleans; to

5 provide relative to the levy of sales and use taxes on hotels within the Louisiana

6 Stadium and Exposition District; to provide relative to the city's authority to levy

7 certain suspended taxes; to provide for the use of tax proceeds; and to provide for

8 related matters.

9 Notice of intention to introduce this Act has been published

10 as provided by Article III, Section 13 of the Constitution of

11 Louisiana.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. The third unnumbered Subparagraph of Paragraph (M) of Section 47 of

14 Article XIV of the Constitution of 1921, continued as statute by Article XIV, Section 16, of

15 the Constitution of 1974, is hereby amended to read as follows:

16 §47. Louisiana Stadium and Exposition District

17 \* \* \*

18 (M)

19 \* \* \*

1           In the event the occupancy tax is imposed as herein provided, the two percent  
2           state sales and use tax on hotel fees and rentals covered by the occupancy tax, as well  
3           as all other local sales or use taxes levied within the District prior to the effective  
4           date of this amendment by any political subdivision of the State on such hotel fees  
5           and rentals, except the sales and use taxes levied by the city of New Orleans, shall  
6           be abated during the period of the levy of the occupancy tax, it being the intention  
7           of this amendment to exempt such rentals and fees from the said sales and use taxes  
8           in consideration of the economic and financial benefits accruing to the state, the City  
9           of New Orleans and the Parish of Jefferson from the construction and operation of  
10          the District's facilities. Provided, however, that the Orleans Parish School Board  
11          may levy or continue to levy on such hotel fees and rentals its one percent sales and  
12          use tax authorized at a special election held on May 3, 1966; the Jefferson Parish  
13          School Board may levy or continue to levy on such hotel fees and rentals its one-half  
14          of one percent sales and use tax authorized at a special election held on May 3, 1966;  
15          and the Jefferson Parish School Board shall continue to receive and the governing  
16          authority of the Parish of Jefferson shall continue to levy for the benefit of said  
17          School Board on such hotel fees and rentals fifty percent of the one percent sales and  
18          use tax authorized at a special election held on October 5, 1954, it being the further  
19          intention of this amendment that the present rate of the sales and use taxes being  
20          levied by or accruing to such school boards under existing law shall not be abated  
21          or diminished.

\* \* \*

22  
23          Section 2. All revenue received by the city of New Orleans as a result of the  
24          provisions of this Act shall be deposited into the infrastructure fund of the city.

25          Section 3. This Act shall become effective on July 1, 2019; if vetoed by the governor  
26          and subsequently approved by the legislature, this Act shall become effective on July 1,  
27          2019, or on the day following such approval by the legislature, whichever is later.

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**DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 522 Engrossed

2019 Regular Session

Abramson

**Abstract:** Relative to the city of New Orleans, provides relative to the authority of the city to levy suspended sales and use taxes on hotels.

Present law creates and provides for the La. Stadium and Exposition District, as a political subdivision of the state composed of all of the territory in the parishes of Orleans and Jefferson. Provides for the district's governance.

Proposed law retains present law.

Present law authorizes the district to levy a hotel occupancy tax. Provides that the 2% state sales and use tax on hotel fees and rentals and all local sales and use taxes levied within the district prior to Nov. 8, 1966, are abated during the period that the hotel occupancy tax is levied. Prohibits the district from levying the hotel occupancy tax until the governing authorities of the city of New Orleans and Jefferson Parish consent to the abatement of their local sales and use taxes. Authorizes the school boards in the city of New Orleans and Jefferson Parish to continue levying their local sales and use taxes.

Proposed law retains present law except it removes all sales and use taxes that could have been levied by the city of New Orleans on hotels prior to Nov. 8, 1966, from the taxes that were abated thereby restoring the city's authority to levy the sales and use tax on hotels beginning on July 1, 2019.

Effective July 1, 2019.

(Amends Art. XIV, §47(M)(third unnumbered Subparagraph) of the Const. of 1921)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Change the amount of the taxes required to be abated from 3/4 of the sales and use taxes levied by the city of New Orleans on hotels beginning July 1, 2019, and *all* sales and use taxes levied by the city of New Orleans beginning July 1, 2025, to all the sales and use taxes levied by the city of New Orleans on July 1, 2019.
2. Delete authority for the city to levy, subject to voter approval, a hotel occupancy tax at a rate not to exceed .2%.
3. Require all revenue received by the city of New Orleans as a result of the provisions of proposed law to be deposited into the infrastructure fund of the city.