

2023 Regular Session

SENATE BILL NO. 225

BY SENATOR POPE

TAX/LOCAL. Authorizes the city of Denham Springs to levy a hotel occupancy tax.
(gov sig)

1 AN ACT

2 To enact R.S. 47:338.225, relative to the city of Denham Springs; to authorize the governing
3 authority of the city, subject to voter approval, to levy and collect a hotel occupancy
4 tax; to provide for the use of tax proceeds; to provide for an effective date; and to
5 provide for related matters.

6 Notice of intention to introduce this Act has been published.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:338.225 is hereby enacted to read as follows:

9 **§338.225. City of Denham Springs; hotel occupancy tax; authorization**

10 **A.(1) In addition to any other tax levied and collected, the governing**
11 **authority of the city of Denham Springs may levy and collect a tax upon the**
12 **paid occupancy of hotel rooms located within the city. The hotel occupancy tax**
13 **shall be six and three-fourths percent of the rent or fee charged for such**
14 **occupancy.**

15 **(2)(a) The term "hotel" as used in this Section shall mean and include**
16 **any establishment engaged in the business of furnishing or providing rooms**
17 **intended or designed for dwelling, lodging, or sleeping purposes to transient**

1 guests where such establishment consists of ten or more guest rooms but does
2 not include overnight camping facilities, bed and breakfasts, or short-term
3 rentals. In addition, the term "hotel" does not include any hospital,
4 convalescent or nursing home or sanitarium, or any hotel-like facility operated
5 by or in connection with a hospital or medical clinic providing rooms exclusively
6 for patients and their families.

7 (b) The term "short-term rentals" as used in this Section shall mean and
8 include the rental of all or any portion of a residential dwelling unit for
9 dwelling, lodging, or sleeping purposes to one party with a duration of
10 occupancy of less than thirty consecutive days.

11 (3) The person who exercises or is entitled to occupancy of the hotel
12 room shall pay the hotel occupancy tax at the time the rent or fee for occupancy
13 is paid. "Person" as used in this Paragraph shall have the same definition as
14 that contained in R.S. 47:301.

15 B. The governing authority shall impose the tax by ordinance. However,
16 the ordinance imposing the tax shall be adopted by the governing authority only
17 after a proposition authorizing the levy of the tax has been approved by a
18 majority of the electors of the city voting at an election held for that purpose in
19 accordance with the Louisiana Election Code. The governing authority may
20 provide in the ordinance necessary and appropriate rules and regulations for
21 the imposition, collection, and enforcement of the hotel occupancy tax.

22 C. The governing authority may enter into a contract with any public
23 entity authorized to collect sales or use taxes, under such terms and conditions
24 as it may deem appropriate including payment of a reasonable collection fee, for
25 the collection of the hotel occupancy tax authorized by this Section. The hotel
26 occupancy tax shall be in addition to all taxes levied upon the occupancy of hotel
27 rooms located within the city.

28 D. Except as provided in Subsection C of this Section, the governing
29 authority shall use fifty percent of the proceeds from the tax to fund salaries

1 and benefits for employees of the fire department and fifty percent of the
 2 proceeds from the tax to fund salaries and benefits for employees of the police
 3 department.

4 E. Any expenditures made pursuant to this Section shall be used in
 5 excess of the normal expenditures that the city already provides for in its
 6 budget.

7 Section 2. This Act shall become effective upon signature by the governor or, if not
 8 signed by the governor, upon expiration of the time for bills to become law without signature
 9 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 10 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 11 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by James Benton.

DIGEST

SB 225 Engrossed

2023 Regular Session

Pope

Proposed law authorizes the governing authority of the city of Denham Springs, subject to voter approval, to levy and collect a hotel occupancy tax. Provides that the tax shall be 6.75% of the rent or fee charged for such occupancy.

Proposed law requires that the tax be paid by the person who exercises or is entitled to occupancy of the hotel room at the time the rent or fee for occupancy is paid. Authorizes the governing authority to contract with any public entity authorized to collect sales or use taxes for the collection of the hotel occupancy tax. Requires that 50% of the proceeds of the tax be used to fund salaries and benefits for employees of the city's fire department and 50% be used to fund salaries and benefits for employees of the city's police department.

Proposed law provides that any expenditures made pursuant to proposed law shall be used in excess of the normal expenditures that the city already provides for in its budget.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 47:338.225)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Local and Municipal Affairs to the original bill

1. Separates expenditures made as a result of proposed law from those that the city already provides.