

2018 Regular Session

SENATE BILL NO. 542

BY SENATOR JOHNS

TAX/LOCAL. Authorizes the levy and collection of an additional hotel and motel tax of one percent in Calcasieu Parish and in each municipality in the parish. (gov sig)

1 AN ACT

2 To enact R.S. 47:338.219, relative to the hotel and motel occupancy tax; to authorize the
3 governing authority of Calcasieu Parish and of each municipality within the parish
4 to levy and collect an additional one percent hotel and motel occupancy tax; to
5 provide for the purposes for which the proceeds of the tax may be used; and to
6 provide for related matters.

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

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:338.219 is hereby enacted to read as follows:

10 **§338.219. Hotel and motel occupancy tax in Calcasieu Parish and included**
11 **municipalities**

12 **A.(1) Notwithstanding any other provision of law, and in addition to any**
13 **other tax levied and collected, the governing authority of Calcasieu Parish and**
14 **of each municipality within the parish, may levy and collect a tax upon the paid**
15 **occupancy of any hotel and motel rooms located within the geographic**
16 **boundaries of Calcasieu Parish, both unincorporated areas and incorporated**
17 **municipalities. The hotel and motel occupancy tax shall be one percent of the**

1 rent or fee charged for the occupancy.

2 (2) The word "hotel" as used in this Section shall have the same
3 definition as that contained in R.S. 33:4574.1.1(C)(1).

4 (3) The hotel occupancy tax shall be paid by the person who exercises or
5 is entitled to occupancy of the hotel or motel room and shall be paid at the time
6 the rent or fee for occupancy is paid. "Person" as used in this Section shall have
7 the same definition as that contained in R.S. 47:301(8).

8 (4) Proceeds from the tax collected shall be remitted to the Southwest
9 Louisiana Convention and Visitors Bureau and shall be disbursed to the
10 governing authority or authorities of the parish or municipalities within its
11 territories in which the hotel or motel is located and shall be used for promoting
12 and funding programs that enhance visitation, tourism, and economic
13 development, and for infrastructure improvements.

14 B. The governing authority shall impose the occupancy tax by ordinance
15 adopted by the governing authority which shall have the right to provide in the
16 ordinance or by resolution necessary and appropriate rules and regulations for
17 the imposition, collection, and enforcement of the occupancy tax, including but
18 not limited to a provision that the initial collection of the tax shall begin on the
19 first of a month following the adoption of the ordinance levying the tax. Should
20 the governing authority take action as authorized in this Section to collect the
21 hotel and motel occupancy tax, the collection shall begin no earlier than August
22 1, 2018. The ordinance levying and imposing the occupancy tax shall be
23 approved by a favorable vote of a majority of the members of the governing
24 authority present and voting. The term "ordinance" means an ordinance, act,
25 or other appropriate legislative enactment of the governing authority.

26 C. The governing authority shall have the right to contract with the state
27 of Louisiana for the collection of the hotel and motel occupancy tax. The tax
28 shall be in addition to all other taxes presently being levied upon the occupancy
29 of hotel and motel rooms in the parish and municipalities.

1 **D.(1) The net proceeds of the tax after deduction, of not more than one**
 2 **percent of collection expenses, shall be disbursed to the governing authority or**
 3 **authorities of the parish or municipalities within its territories in which the**
 4 **hotel or motel is located.**

5 **(2) The disbursement of the net proceeds shall be distributed after the**
 6 **Southwest Louisiana Convention and Visitors Bureau and the governing**
 7 **authority or authorities of the parish or municipalities within its territories in**
 8 **which the hotel or motel is located have entered into a cooperative endeavor**
 9 **agreement. The agreement shall specify that the parties agree to use the**
 10 **proceeds for promoting and funding programs that enhance visitation, tourism,**
 11 **and economic development, and for infrastructure improvements.**

12 Section 2. This Act shall become effective upon signature by the governor or, if not
 13 signed by the governor, upon expiration of the time for bills to become law without signature
 14 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 15 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 16 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 Michael Bell.

DIGEST

SB 542 Reengrossed

2018 Regular Session

Johns

Proposed law authorizes the governing authority of Calcasieu Parish and each municipality included therein to levy and collect a hotel and motel occupancy tax within the parish, in both unincorporated areas and incorporated municipalities. Provides the tax shall be an additional one percent.

Proposed law requires that the tax be paid by the person who is entitled to occupancy of the room and requires that the tax be paid at the time the rent is paid.

Proposed law provides that the proceeds from the tax collected shall be remitted to the Southwest Louisiana Convention and Visitors Bureau and shall be disbursed to the governing authority or authorities of the parish or municipalities within its territories in which the hotel or motel is located and shall be used for promoting and funding programs that enhance visitation, tourism, and economic development, and for infrastructure improvements.

Proposed law provides that the governing authority shall impose the tax by ordinance or resolution. Further provides that the ordinance or resolution shall state necessary and appropriate rules and regulations for the imposition, collection, and enforcement of the tax, including but not limited to a provision that the initial collection of the tax shall begin on the

first of a month following the adoption of the ordinance levying the tax. Proposed law provides that collections shall begin no earlier than Aug. 1, 2018.

Proposed law provides that the governing authority has the right to contract with the state of Louisiana for the collection of the tax. Further provides that the tax is in addition to all other taxes presently levied on the occupancy of hotel and motel rooms in the parish.

Proposed law provides that the net proceeds of the tax after deduction, of not more than one percent of collection expenses, shall be disbursed to the governing authority or authorities of the parish or municipalities within its territories in which the hotel or motel is located.

Proposed law provides that the disbursement of the net proceeds shall be distributed after the Southwest Louisiana Convention and Visitors Bureau and the governing authority or authorities of the parish or municipalities which the hotel or motel is located have entered into a cooperative endeavor agreement. Proposed law further provides that the agreement must specify that the parties agree to use the proceeds for promoting and funding programs that enhance visitation, tourism, and economic development, and for infrastructure improvements.

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

(Adds R.S. 47:338.219)

Summary of Amendments Adopted by Senate

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

1. Specifies that the proceeds of the tax collected are to be remitted to the Southwest Louisiana Convention and Visitors Bureau, who shall disburse the net proceeds to the governing authority or authorities of the parish or municipalities where the hotel or motel is located.
2. Mandates the execution of a cooperative endeavor agreement between the Southwest Louisiana Convention and Visitors Bureau and the governing authority or authorities of the parish or municipalities which the hotel or motel is located prior to disbursement of the proceeds.

Senate Floor Amendments to engrossed bill

1. Changes the definition of "hotel".