
 DIGEST

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SB 542 Reengrossed

2018 Regular Session

Johns

Proposed law authorizes the Southwest La. Convention and Visitors Bureau to levy and collect a hotel occupancy tax of 1% within the parish, in both incorporated and unincorporated areas.

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 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. Proposed law provides that collections shall begin no earlier than Aug. 1, 2018.

Proposed law authorizes the governing authority to collect the tax or to contract for its collection with the state or any public entity authorized to collect sales and use taxes.

Proposed law requires that the net proceeds of the tax, after deduction of not more than 5% of collections dedicated to the Southwest La. Convention and Visitors Bureau Project Enhancement Grant Program, be disbursed, pursuant to a cooperative endeavor agreement, to Calcasieu Parish and municipalities in which a hotel or motel is located. Requires that the disbursement be based on the tax revenue collected in the applicable jurisdiction.

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".

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Municipal, Parochial and Cultural Affairs to the reengrossed bill:

1. Remove authority granted to Calcasieu Parish and each municipality within the parish to levy a hotel occupancy tax and instead authorize the visitors bureau to levy the tax.
2. Remove requirement that tax proceeds be remitted by the parish and each municipality to the visitors bureau and then disbursed by the bureau to such governing authorities.
3. Authorize the visitors bureau to collect the tax or to contract for collection.
4. Remove requirement that not more than 1% of the net proceeds be deducted for collection expenses and instead require that not more than 5% be deducted for dedication to the Southwest La. Convention and Visitors Bureau Project Enhancement Grant Program.
5. Add a requirement that the disbursements made to the parish and each municipality be based on the tax revenue collected within the applicable jurisdiction.