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## DIGEST

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HB 339 Reengrossed

2019 Regular Session

Dwight

**Abstract:** Relative to tourist commissions and convention and visitors bureaus, changes the definition of hotel with respect to the levy of hotel occupancy taxes to provide funds for the operation of the commissions and bureaus.

Present law authorizes parish governing authorities to create tourist commissions and convention and visitors bureaus. Provides for the boundaries, governance, and powers and duties of the commissions and bureaus. Authorizes parish governing authorities, for the purpose of funding the commissions and bureaus, to levy hotel occupancy taxes not to exceed 2% and sales taxes not to exceed 1%, subject to voter approval. Provides additional restrictions with respect to the levy of these taxes.

Proposed law retains present law.

Present law creates and provides for certain tourist commissions and convention and visitors bureaus as political subdivisions of the state. Provides for the boundaries, governance, and powers and duties of the commissions and bureaus, including the authority to levy hotel occupancy taxes at rates set by statute.

Proposed law retains present law.

Present law generally defines the term "hotel" for purposes of levying hotel occupancy taxes pursuant to present law to mean any establishment, either public or private, engaged in the business of furnishing or providing rooms and overnight camping facilities intended or designed for dwelling, lodging, or sleeping purposes to transient guests where such establishment consists of two or more guest rooms and does not encompass any hospital, convalescent or nursing home or sanitarium, or any hotel-like facility operated by or in connection with a hospital or medical clinic providing rooms exclusively for patients and their families.

Present law relative to the levy of hotel occupancy taxes by parish governing authorities, provides that the term "hotel" does not include camp and retreat facilities owned and operated by nonprofit organizations exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) of the Internal Revenue Code provided that the net revenue derived from the organization's property is devoted wholly to the nonprofit organization's purposes.

Proposed law provides instead that the term "hotel" shall have the same meaning as provided in present law for the levy of state sales taxes on hotels. Present law defines "hotel" for such purposes to mean any establishment or person engaged in the business of furnishing sleeping rooms, cottages, or cabins to transient guests, where such establishment consists of sleeping rooms, cottages, or cabins at any of the following:

- (1) A single business location.
- (2) A residential location, including but not limited to a house, apartment, condominium, camp, cabin, or other building structure used as a residence.

Provides that "hotel" does not mean or include any establishment or person leasing apartments or single family dwelling on a month-to-month basis and does not include certain facilities operated by nonprofit organizations.

Proposed law additionally provides that "hotel" does not mean any establishment operated solely as a facility zoned by local ordinance as workforce housing, or any other similar type of establishment which does not accept reservations directly from individuals of the general public and which does not market, solicit, advertise, or accept reservations through the use of any online platform.

Effective July 1, 2019.

(Amends R.S. 33:4574.1(A)(1)(b), 4574.1.1(C), 4574.9(C)(1)(b), 4574.12(D)(1)(b), and 4574.13(C)(1)(b))

The House Floor Amendments to the engrossed bill:

1. Add provisions to change the definition of "hotel" with respect to the levy of hotel occupancy taxes by parish governing authorities to fund tourist commissions and bureaus.
2. Add provisions to exclude certain workforce housing from the definition of "hotel".