

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 292** HLS 20RS 133

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 28, 2020	8:15 AM	<b>Author:</b> DWIGHT
<b>Dept./Agy.:</b> Local Governments		<b>Analyst:</b> Greg Albrecht
<b>Subject:</b> Hotel Occupancy Taxes		

TOURISM/COMMISSION EG INCREASE LF RV See Note Page 1 of 1  
Provides relative to hotel occupancy taxes levied by certain tourist commissions and convention and visitors bureaus

Current law generally defines an establishment subject to local hotel occupancy taxes to have two or more sleeping rooms available for rent.

Proposed law changes the definition of hotel to the one found in R.S. 47:301(6) for state room rental taxes, which generally requires only one sleeping room available to rent at a business, or a residential location.

Effective July 1, 2020.

<b>EXPENDITURES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>5 -YEAR TOTAL</b>
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Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

**REVENUE EXPLANATION**

The bill appears to expand the tax base for local occupancy taxes to include single room establishments, or residential locations. This would appear to extend local taxes to rentals through entities such as AirBnB and VRBO, and other similar entities. The extent to which room rentals are occurring in these parishes through these entities is unknown, but the bill would add these rentals to local tax bases and increase local occupancy tax receipts.

The Title 33 statutes being amended by the bill reference numerous local tourist commissions levying occupancy taxes that would be affected by the change in the definition of "hotel".

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**John D. Carpenter**  
**Legislative Fiscal Officer**