
DIGEST

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HB 681 Original

2021 Regular Session

Bourriaque

Abstract: Provides an exclusion from sales and use and certain hotel occupancy taxes for certain establishments.

Present law levies a sales and use tax on the furnishing of sleeping rooms, cottages, or cabins by hotels.

Present law defines "hotel" 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 a single family dwelling on a month-to-month basis.

Present law provides that for purposes of the sales and use taxes of all tax authorities in this state, the term "hotel" does not include camp and retreat facilities owned and operated by nonprofit organizations exempt from federal income tax under federal law (Section 501(a) of the Internal Revenue Code) provided that the net revenue derived from the organizations's property is devoted wholly to the nonprofit organization's purposes. However, provides that the term "hotel" does include camp and retreat facilities which sells rooms or other accommodations to transient guests who are not attending a function of the nonprofit organization that owns and operates the camp and retreat facilities or a function of another nonprofit organization exempt from federal income tax under federal law (Section 501(a) of the Internal Revenue Code). Provides that it is the intention of the legislature to tax the furnishing of rooms to those who merely purchase lodging at such facilities.

Present law provides that for purposes of the sales and use taxes of all tax authorities in this state, the term "hotel" does not include a temporary lodging facility which is operated by a nonprofit organization described in federal law (Section 501(c)(3) of the Internal Revenue Code), provided that the facility is devoted exclusively to the temporary housing, for periods no longer than 30 days' duration, of homeless transient persons whom the organization determines to be financially incapable of engaging lodging at a facility defined by present law, and further provided that the lodging charge to such persons is no greater than \$20 per day.

Proposed law retains present law and additionally provides that the term "hotel" does not include any establishment consisting of and operated solely as a facility zoned by local ordinance as disaster recovery housing, temporary workforce housing, or any other similar type of establishment which is closed to and 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. However, provides that proposed law does not apply to any facility that previously operated as a conventional hotel, motel, recreational vehicle park, manufactured home park, or campground.

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. Provides restrictions with respect to the levy of these taxes.

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.

Present law defines the term "hotel" for purposes of levying hotel occupancy taxes to have the same meaning as provided in present law for the levy of sales and use taxes on hotels.

Proposed law retains present law.

(Adds R.S. 47:301(6)(d))