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 DIGEST

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SB 500 Reengrossed

2024 Regular Session

Reese

Present law (R.S. 33:4574.11) provides for the levy of a tax upon the occupancy of hotel rooms, motel rooms, and overnight camping by the Southwest La. Convention and Visitors Bureau.

Proposed law retains present law.

Present law provides for the imposition of local sales and use tax upon the sales of the furnishing of sleeping rooms by hotels and motels, the sales of meals, admissions to places of amusement, athletic, and recreational events, and the furnishing, for dues, fees, or other consideration of the privilege of access to clubs or the privilege of having access to or the use of amusement or entertainment, and parking.

Proposed law retains present law but prohibits a local governing authority, including a local political subdivision or school board, from levying any fee or tax on nongaming incentives or inducements granted by the holder of a riverboat license or the holder of a license to operate slot machine gaming to a patron on a complimentary basis or solely through the redemption of rewards from a loyalty rewards program, including room stays, except for taxes authorized by the Southwest La. Convention and Visitors Bureau as provided for in present law or by express written agreement by a local governing authority and the holder of a riverboat license or the holder of a license to operate slot machine gaming.

Proposed law provides that if nongaming incentives or inducements are granted to a patron by a licensee on a discounted basis, any fee or taxes levied shall be limited to the actual cash portion, if any, paid by the patron and no tax shall be applied to the extent of the discount.

Proposed law provides that there shall be no restriction upon the imposition of sales and use taxes levied pursuant to present law upon the purchase or upon the use by a licensee of tangible personal property, including meals and beverages, used as complimentary incentives or inducements.

Proposed law provides that any sales or use tax due on parking, admissions, or entertainment provided on a complimentary or discounted basis is not subject to the restrictions provided for in proposed law if that tax is otherwise due under present law.

Proposed law is interpretative and not substantive; it does not change the law or establish new rules, rights, or duties to any person.

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

(Adds R.S. 47:337.11.4)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill

1. Removes provisions allowing the Louisiana Gaming Control Board to interpret and enforce net gaming proceeds and taxable net slot machine proceeds with respect to holders of certain holders of gaming licenses for riverboats (R.S. 27:44) and slot machines (R.S. 27:353).
2. Removes provisions for retroactive application of law.

3. Makes technical amendments.

Senate Floor Amendments to engrossed bill

1. Removes reference to local fees and taxes levied pursuant to present law by a local governing authority on net gaming proceeds and taxable net slot machine proceeds.
2. Removes reference to promotional play wagers and allowances for promotional play.
3. Restricts nongaming incentives or inducements to those granted by a licensee on a complimentary basis or solely through the redemption of rewards to a patron.
4. Eliminates meals as a nongaming incentive or inducement granted by a licensee to a patron.
5. Restricts nongaming incentives or inducements to rooms stays, admissions to entertainment venues, or parking charges, when granted by a licensee to a patron.
6. Make technical changes.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the reengrossed bill:

1. Change the requirement that both statutory authority in present law relative to the complimentary hotel room tax levied by the Southwest La. Convention and Visitors Bureau *and* the signed agreement and consent of a local governing authority and a riverboat gaming or certain slot machine licensees are required before a local fee or tax can be charged on nongaming incentives or inducements to a requirement that *either* of those conditions are required before a local fee or tax can be charged on nongaming incentives or inducements.
2. Remove references to admissions to entertainment venues or parking charges from the restriction of the levy of a fee or tax on nongaming incentives or inducements granted by a riverboat gaming or certain slot machine licensees on a complimentary basis or through loyalty rewards programs.
3. Prohibit provisions of proposed law from being construed to change the definition of "net gaming proceeds" for purposes of the taxes provided for in present law or from increasing any allowance for promotional play provided for in present law.
4. Add purchases of meals and beverages to the items of tangible personal property to which no restriction is placed on the levy of local sales taxes by certain licensees that are used as complimentary incentives or inducements.
5. Add parking, admissions, or entertainment provided on a complimentary or discounted basis to the items of tangible personal property to which no restriction is placed for the imposition of local sales tax if the tax is otherwise due under present law.
6. Make technical changes.