



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 255 HLS 14RS 317
Bill Text Version: ENGROSSED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: March 17, 2014 3:13 PM Author: ORTEGO
Dept./Agy.: City of Carencro Analyst: Anthony Truong
Subject: Additional Hotel Occupancy Tax

TAX/HOTEL OCCUPANCY EG +\$67,400 LF RV See Note Page 1 of 1
Authorizes the governing authority of the city of Carencro to levy a hotel occupancy tax

Purpose of Bill: This measure allows the City of Carencro to levy a hotel occupancy tax not to exceed 4%, and provides that the tax proceeds be used for the construction and maintenance of water and sewer infrastructure, economic development, and the promotion of tourism within the City.

This measure also provides that the tax be approved by the voters of the City, and be imposed by a City ordinance or resolution.

Table with 7 columns: EXPENDITURES, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

This bill may increase local governmental expenditures by approximately \$1,000 in fiscal year 2014-15, approximately \$13,500 in fiscal year 2015-16, and approximately \$67,400 annually thereafter.

The proposed tax must be approved by voters of the City. An official with the City indicated that the City plans to place the tax on the ballot for the November 4, 2014 election.

An official with the City indicated that the Lafayette Parish School System will likely collect this tax. An official with the School System indicated that the collection of this tax would not materially impact School System expenditures.

This bill mandates that the City of Carencro use the new tax proceeds for specific purposes. In addition, as stated above, an official with the City indicated that the City is likely to contract Lafayette Parish School System for the collection of this tax.

REVENUE EXPLANATION

This bill may increase local governmental revenues by approximately \$13,500 in fiscal year 2015-16 and approximately \$67,400 annually thereafter.

An official with the City of Carencro indicated that this new tax may generate approximately \$13,500 in fiscal year 2015-16 (based on one hotel currently in service) and approximately \$67,400 annually thereafter.

An official with the City indicated that the Lafayette Parish School System will likely collect this tax. Based on information obtained from the School System, we estimate that the School System may charge approximately \$700 in collection fees in fiscal year 2015-16 and approximately \$3,600 in collection fees annually thereafter.

- Senate Dual Referral Rules House
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}
6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}
6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Joy Irwin
Director of Advisory Services