
DIGEST

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HB 420 Original

2019 Regular Session

Leger

Abstract: Authorizes the governing authority of the city of New Orleans to levy and collect an additional hotel occupancy tax at a rate not to exceed .55%, subject to voter approval.

Proposed law authorizes the governing authority of the city of New Orleans, subject to voter approval, to levy and collect an additional hotel occupancy tax. Provides that such tax shall not exceed .55% of the rent or fee charged for such occupancy.

Proposed law provides 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 requires that the tax be paid by the person who exercises or is entitled to occupancy of the hotel room at the time the rent or fee for occupancy is paid. Authorizes the governing authority to contract with any public entity authorized to collect sales or use taxes for the collection of the hotel occupancy tax.

Proposed law requires the governing authority to establish an infrastructure fund. Further requires that the tax proceeds be placed in the fund and allocated and used according to funding recommendations of the governing authority to supplement services provided by the city.

Proposed law requires the mayor to make information about the fund readily available to the public. Further requires the mayor to submit an annual report to the governing authority and the legislature on Oct. 1st that identifies the use and allocation of the monies in the fund in the previous fiscal year. Provides that the first report is due Oct. 1, 2020.

Effective July 1, 2019.

(Adds R.S. 47:338.220)