

2019 Regular Session

HOUSE BILL NO. 522

BY REPRESENTATIVE ABRAMSON

TAX/SALES-USE, LOCAL: Provides relative to the levy of sales and use taxes in the city of New Orleans

1 AN ACT

2 To amend and reenact the third unnumbered Subparagraph of Paragraph (M) of Section 47
3 of Article XIV of the Constitution of 1921, continued as statute by Article XIV,
4 Section 16, of the Constitution of 1974, and to enact R.S. 47:338.220, relative to the
5 city of New Orleans; to provide relative to the levy of sales and use taxes on hotels
6 within the Louisiana Stadium and Exposition District; to provide relative to the city's
7 authority to levy certain suspended taxes; to authorize the governing authority of the
8 city to levy an additional hotel occupancy tax; to provide for the use of tax proceeds;
9 and to provide for related matters.

10 Notice of intention to introduce this Act has been published
11 as provided by Article III, Section 13 of the Constitution of
12 Louisiana.

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. The third unnumbered Subparagraph of Paragraph (M) of Section 47 of
15 Article XIV of the Constitution of 1921, continued as statute by Article XIV, Section 16, of
16 the Constitution of 1974, is hereby amended to read as follows:

17 §47. Louisiana Stadium and Exposition District

18 * * *

19 (M)

20 * * *

1 dwelling, lodging or sleeping purposes to transient guests, where such establishment
2 consists of ten or more guest rooms. "Hotel" does not include any hospital,
3 convalescent or nursing home or sanitarium, or any hotel-like facility operated by or
4 in connection with a hospital or medical clinic providing rooms exclusively for
5 patients and their families.

6 (3) The person who exercises or is entitled to occupancy of the hotel room
7 shall pay the hotel occupancy tax at the time the rent or fee for occupancy is paid.
8 "Person" as used in this Paragraph shall have the same definition as that contained
9 in R.S. 47:301(8).

10 B. The governing authority of the city of New Orleans shall impose the hotel
11 occupancy tax by ordinance or resolution. The governing authority may adopt such
12 ordinance or resolution only after a proposition authorizing the levy of the tax has
13 been approved by a majority of the electors of the city of New Orleans voting at an
14 election held for that purpose in accordance with the Louisiana Election Code. The
15 governing authority may provide in the ordinance or resolution necessary and
16 appropriate rules and regulations for the imposition, collection, and enforcement of
17 the hotel occupancy tax.

18 C. The governing authority may enter into a contract with any public entity
19 authorized to collect sales or use taxes, under such terms and conditions as it may
20 deem appropriate, including payment of a reasonable collection fee, for the
21 collection of the hotel occupancy tax authorized by this Section. The hotel
22 occupancy tax shall be in addition to all taxes levied upon the occupancy of hotel
23 rooms located within the city of New Orleans.

24 D. Except as provided in Subsection C of this Section, the proceeds of the
25 tax authorized by this Section and all revenue received by the city of New Orleans
26 as a result of the provisions of the Act that enacted this Section shall be deposited
27 into the infrastructure fund of the city.

28 Section 4.(A) Section 2 and 3 of this Act shall become effective on January 1, 2025.

1 (B) Section 1, and this Section of this Act shall become effective on July 1, 2019;
 2 if vetoed by the governor and subsequently approved by the legislature, this Act shall
 3 become effective on July 1, 2019, or on the day following such approval by the legislature,
 4 whichever is later.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 522 Original

2019 Regular Session

Abramson

Abstract: Relative to the city of New Orleans, provides relative to the authority of the city to levy suspended sales and use taxes on hotels and authorizes the city to levy an additional hotel occupancy tax, not to exceed .2%, beginning July 1, 2025.

Present law creates and provides for the La. Stadium and Exposition District, as a political subdivision of the state composed of all of the territory in the parishes of Orleans and Jefferson. Provides for the district's governance.

Proposed law retains present law.

Present law authorizes the district to levy a hotel occupancy tax. Provides that the 2% state sales and use tax on hotel fees and rentals and all local sales and use taxes levied within the district prior to Nov. 8, 1966, are abated during the period that the hotel occupancy tax is levied. Prohibits the district from levying the hotel occupancy tax until the governing authorities of the city of New Orleans and Jefferson Parish consent to the abatement of their local sales and use taxes. Authorizes the school boards in the city of New Orleans and Jefferson Parish to continue levying their local sales and use taxes.

Proposed law retains present law but excepts 3/4 of the sales and use taxes levied by the city of New Orleans from the abatement, beginning July 1, 2019. Proposed law further excepts all sales and use taxes levied by the city, beginning July 1, 2025.

Proposed law authorizes the city to levy, subject to voter approval, a hotel occupancy tax at a rate not to exceed .2%.

Proposed law also provides that revenue derived from taxes authorized by proposed law shall be deposited into the infrastructure fund of the city.

Effective in part on July 1, 2019.

Effective in part on July 1, 2025.

(Amends Art. XIV, §47(M)(third unnumbered Subparagraph) of the Const. of 1921; Adds R.S. 338.220)