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## DIGEST

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HB 588 Original

2019 Regular Session

Hilferty

**Abstract:** Removes authority granted to the Morial Convention Center to levy hotel occupancy and food and beverage taxes for certain purposes; authorizes the city of New Orleans to levy a hotel occupancy tax.

Present law creates the Ernest N. Morial-New Orleans Exhibition Hall Authority (convention center authority). The purpose of the convention center authority is to acquire, construct, reconstruct, extend, improve, maintain, and operate projects within the city of New Orleans in order to promote the economic growth and development of the city and its neighboring parishes.

Proposed law retains present law.

Present law authorizes the convention center authority to undertake specified "expansion projects", one of which is designated Phase IV, which includes construction of a free-standing building across Henderson Street from the existing convention center, on a site owned by the convention center authority, containing approximately 1,500,000 square feet under roof, including approximately 500,000 square feet of exhibit space, with accompanying meeting rooms, food service areas, building service areas, and other facilities functionally related thereto.

Proposed law retains present law.

Present law authorizes the convention center authority, for the purpose of funding Phase IV, to impose an additional 1% hotel occupancy tax and a 1/4% tax on food and beverages sold by any food service establishment located within Orleans Parish or in any airport or air transportation facility owned and operated by the city of New Orleans, excluding any food service establishments owned by any individual or corporation who had gross receipts of less than \$500,000 from the operation of all such establishments during the calendar year prior to the year in which the food and beverage tax is assessed. Further provides that the term "food service establishment" does not include convenience stores or grocery stores.

Proposed law removes present law.

Proposed law authorizes the governing authority of the city, subject to voter approval, to levy and collect an additional hotel occupancy tax. Provides that such tax shall not exceed 1% of the rent or fee charged for such occupancy. 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. Requires that the proceeds of the tax be deposited into the city's infrastructure fund.

Eff. July 1, 2019.

(Adds R.S. 47:338.220; Repeals §20(B), (C), and (D) of Act No. 305 of the 1978 R.S., as amended)