

2019 Regular Session

HOUSE BILL NO. 421

BY REPRESENTATIVE LEGER

TAX/HOTEL OCCUPANCY: Authorizes the governing authority of the city of New Orleans to levy a tax on short term rentals of overnight lodging

1 AN ACT

2 To enact R.S. 47:338.220, relative to the city of New Orleans; to authorize the governing  
3 authority of the city to levy and collect an occupancy tax on short term rentals of  
4 overnight lodging, subject to voter approval; to provide for the use of tax proceeds;  
5 and to provide for related matters.

6 Notice of intention to introduce this Act has been published  
7 as provided by Article III, Section 13 of the Constitution of  
8 Louisiana.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 47:338.220 is hereby enacted to read as follows:

11 §338.220. City of New Orleans; short term rental occupancy tax

12 A.(1) In addition to any other tax levied and collected, the governing  
13 authority of the city of New Orleans may levy and collect a tax upon the paid  
14 occupancy of short term rentals located within the city. The occupancy tax shall not  
15 exceed fifty-five hundredths percent of the rent or fee charged for such occupancy.

16 (2) The term "short term rentals" as used in this Section means an  
17 establishment or person engaged in the business of furnishing sleeping rooms,  
18 cottages, or cabins to transient guests, where such establishment consists of sleeping  
19 rooms, cottages, or cabins at a residential location, including but not limited to a

1 house, apartment, condominium, camp, cabin, or other building structure used as a  
2 residence.

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

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

14 C. The governing authority may enter into a contract with any public entity  
15 authorized to collect sales or use taxes, under such terms and conditions as it may  
16 deem appropriate, including payment of a reasonable collection fee, for the  
17 collection of the occupancy tax authorized by this Section. The occupancy tax shall  
18 be in addition to all taxes levied upon the occupancy of short term rentals located  
19 within the city.

20 D. Except as provided in Subsection C of this Section, the proceeds of the  
21 tax shall be deposited to the general fund of the city.

22 Section 2. This Act shall become effective on July 1, 2019; if vetoed by the governor  
23 and subsequently approved by the legislature, this Act shall become effective on July 1,  
24 2019, or on the day following such approval by the legislature, whichever is later.

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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)]

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HB 421 Original

2019 Regular Session

Leger

**Abstract:** Authorizes the governing authority of the city of New Orleans to levy and collect an occupancy tax on short term rentals of overnight lodging at a rate not to exceed 0.55%, 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 occupancy tax on short term rentals. Provides that such tax shall not exceed 0.55% of the rent or fee charged for such occupancy.

Proposed law defines "short term rental" 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 a residential location, including but not limited to a house, apartment, condominium, camp, cabin, or other building structure used as a residence.

Proposed law requires that the tax be paid by the person who exercises or is entitled to occupancy of the short term rental 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 short term rental tax. Requires that the proceeds of the tax be deposited to the general fund of the city.

Effective July 1, 2019.

(Adds R.S. 47:338.220)