



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 326 HLS 13RS 877
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 5, 2013 3:09 PM Author: BARRAS
Dept./Agy.: City of Youngsville Analyst: Julie Betz
Subject: Hotel Occupancy Tax

TAX/HOTEL OCCUPANCY OR +\$172,500 LF RV See Note Page 1 of 1
Authorizes the city of Youngsville to levy a hotel occupancy tax

Purpose of Bill: This measure allows the city of Youngsville to levy a hotel occupancy tax not to exceed 4% and designates that the revenue be used to fund the construction, maintenance and operation of a community center, economic development and tourism.

The measure also states that the governing authority of the city of Youngsville shall impose the hotel occupancy tax by ordinance or resolution. The governing authority may adopt such ordinance or resolution only after a proposition authorizing the levy of the tax has been approved by a majority of the electors of the city voting at an election held for that purpose in accordance with the Louisiana Election Code.

Table with 7 columns: EXPENDITURES/REVENUES, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

Beginning in fiscal year 2015, there may be an increase in local fund expenditures of \$69,069. Expenditure amounts may increase in subsequent fiscal years.

According to an official with the Secretary of State's Office, election costs would be \$11,569 assuming there are no other items on the ballot. The city of Youngsville will be responsible for 100% of the election costs if the election is held when no state or federal candidate elections are on the ballot; otherwise, the costs would be split between the city of Youngsville and the State of Louisiana.

According to an official with the city of Youngsville Mayor's Office, revenue collected as a result of this measure will be used to fund the construction, maintenance and operation of a community center, economic development and tourism. The city of Youngsville Mayor's office expect to spend \$57,500 in fiscal year 2015. Expenditure amounts may increase in subsequent years if tax collections increase.

REVENUE EXPLANATION

Beginning in fiscal year 2015, there may be an increase in local tax revenues of \$57,500. The revenue amounts may increase in subsequent fiscal years.

According to an official with the city of Youngsville Mayor's office, levying a hotel occupancy tax of 4% may provide tax revenue of \$57,500 in fiscal year 2015. Currently, there are no hotels in the city of Youngsville. The revenue estimates are based on the assumption that one hotel will be built and operating during fiscal year 2014-15, two hotels in operation by fiscal year 2015-16, and three hotels in operation by fiscal year 2016-17. The city of Youngsville Mayor's office estimates that each hotel will provide \$57,500 per year an tax revenue.

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

Joy Irwin
Director of Advisory Services