



OFFICE OF LEGISLATIVE AUDITOR Fiscal Note

Fiscal Note On: **HB 106** HLS 13RS 332

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 19, 2013 1:57 PM	Author: DOVE
Dept./Agy.: Houma Area Convention and Visitors Bureau	Analyst: Julie Betz
Subject: Hotel Occupancy Tax	

TOURISM/COMMISSION

OR +\$300,000 LF RV See Note

Page 1 of 1

Increases the maximum rate of the hotel occupancy tax that the Houma Area Convention and Visitors Bureau may levy and designates specific use for the additional tax.

Purpose of Bill: This measure increases the maximum rate of the hotel occupancy tax that the Houma Area Convention and Visitors Bureau may levy from 4% to 5% and designates that proceeds of the additional tax be used specifically for recreational and tourism infrastructure.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$300,000	\$315,000	\$331,000	\$347,000	\$365,000	\$1,658,000
Annual Total	\$300,000	\$315,000	\$331,000	\$347,000	\$365,000	\$1,658,000

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
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Annual Total	\$300,000	\$315,000	\$331,000	\$347,000	\$365,000	\$1,658,000

EXPENDITURE EXPLANATION

Beginning in fiscal year 2014, there is an anticipated increase in local fund expenditures of \$300,000. These expenditure amounts may increase in subsequent fiscal years.

Revenue collected as a result of this measure will be used to fund tourism and recreation infrastructure projects through the use of cooperative endeavor agreements and structured grants. The Houma Area Convention and Visitors Bureau expects to spend a total of \$1,658,000 over 5 years.

REVENUE EXPLANATION

Beginning in fiscal year 2014, there is an anticipated increase in local tax revenues of \$300,000. These revenue amounts may increase in subsequent fiscal years.

Based on historical collections, the Houma Area Convention and Visitors Bureau estimates that increasing the hotel occupancy tax to 5% will increase collections by approximately \$300,000 in FY2014. The Houma Area Convention and Visitors Bureau projects a 5% annual increase in tax collections resulting in a total of \$1,658,000 in increased revenues over 5 years.

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