

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 674-05  
Bill No.: Truly Agreed to and Finally Passed SCS for HB 242  
Subject: Political Subdivisions: Transient Guest Tax  
Type: Original  
Date: May 25, 2001

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 3 pages.

**FISCAL ANALYSIS**

ASSUMPTION

In response to almost identical legislation the following entities made their fiscal impact estimates:

Officials of the **Department of Revenue** and the **Department of Economic Development-Division of Tourism** stated that this proposal would have no administrative or fiscal impact to their departments.

**City of Louisiana** officials stated if voters were to approve the transient guest tax they would have additional revenues to promote tourism. Officials estimated the tax would generate \$7,000 with a minimal amount of administrative costs.

**City of Clarksville** officials assume there would be additional funds generated from the tax, which would be used to promote tourism. Officials assume there would be some administrative impact from costs associated with collection of the tax. Officials stated any collection costs would be minimal.

**Oversight assumes this proposal is enabling legislation and would have no state or local fiscal impact. Local governments would have no fiscal impact without voter approval. Oversight will show fiscal impact as \$0.**

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

If this proposal were enacted by the voters of the eligible cities and counties, small businesses of the hotel/motel industry and businesses that rent slips for recreational boating could be expected to be fiscally impacted to the extent that they may incur additional administrative duties and costs related to collection of the tax.

DESCRIPTION

This act authorizes the city of Maryland Heights to impose an additional tourism tax of up to one-half of one percent on hotel and motel rooms. This act authorizes the cities of Clarksville, Louisiana, St. Genevieve City, Parkville and St. Genevieve County to enact at least a two percent but no more than five percent tourism tax on charges for all sleeping rooms, campgrounds or docking facility for boats used for sleeping paid by transient guests.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue  
Department of Economic Development- Division of Tourism  
City of Clarksville  
City of Louisiana



Jeanne Jarrett, CPA  
Director  
May 25, 2001