

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 2021-01
Bill No.: HB 844
Subject: Cities: Transient Guest Tax
Type: Original
Date: March 21, 2001

FISCAL SUMMARY

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

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

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

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Revenue** assume there would be no fiscal impact to their department.

Officials of the **Department of Economic Development- Tourism Commission** stated there would be no fiscal impact to their department.

Officials of the **Cities of Charleston, Rock Port, Osage Beach, and Hannibal** assume there would be no fiscal impact to their cities.

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 to be enacted by a qualified city or county, 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 bill allows, upon voter approval, the governing body of any city or county having more than 350 hotel and motel rooms inside their jurisdiction to impose a room tax of not more than 5% on all transient guests of hotels or motels. The proceeds from this tax will be used for the promotion of tourism and for funding a convention and visitors bureau.

Third class cities located in first classification counties having more than 2,500 hotel and motel rooms which already have a county transient guest tax may impose a tax of not more than 0.5%.

The bill spells out the ballot language and procedures for adoption of the tax.

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- Tourism Commission
City of Charleston
City of Hannibal
City of Rock Port
City of Osage Beach

NOT RESPONDING

The City Managers of : Branson, Raytown, Cape Girardeau, Ste. Genevieve, and Platte City, and the County Commissions of : Buchanan, Platte, Jasper, Greene, Camden, Taney, and New Madrid Counties.



Jeanne Jarrett, CPA
Director
March 21, 2001