

Hotel Occupancy Tax Policy

Develop a comprehensive Hotel Occupancy Tax (HOT) Policy providing requirements and procedures to evaluate and approve any HOT Funds appropriate to promote tourism and the convention and hotel industry.

Problem Identification

- There is no HOT Policy in place to address requests for HOT funds
- The Agency is granting HOT funds without a Policy or adequate application
- If there is a Policy, it is outdated and does not address statutory limitations for the use of HOT funds
- There is no formal and comprehensive application

Service Goals

- Develop a Resolution documenting authorization for the Agency to grant HOT funds
- Develop a comprehensive Policy and Application tailored to the Agency's desires

Content Outline

Following is an example outline for a comprehensive Hotel Occupancy Tax Policy.

- Introduction / Goals
- Definitions
- Statutory Regulations
- Priorities
- Required information
- Administrative Procedures
- Application

Deliverables

- A comprehensive Resolution, Policy and Application in PDF suitable for approval
- Provide an original Application for continued use

Resolution for Adoption

RESOLUTION NO. 19-_____
<p>A RESOLUTION OF THE CITY OF REPLACE, TEXAS, APPROVING THE TERMS AND CONDITIONS OF A HOTEL OCCUPANCY TAX POLICY TO PROMOTE TOURISM AND THE CONVENTION AND HOTEL INDUSTRY IN THE CITY; ESTABLISHING GUIDELINES AND CRITERIA FOR THE USE OF FUNDS COLLECTED FROM THE TAX; AND PROVIDING AN EFFECTIVE DATE.</p>
<p>WHEREAS, The Chapter 351 of the Texas Tax Code authorizes communities to collect a Hotel Occupancy Tax (HOT) and use these funds to promote tourism and the convention and hotel industry; and</p>
<p>WHEREAS, the Council recognizes the importance of attracting visitors to support the convention and hotel industry in the City; and</p>
<p>WHEREAS, the Council recognizes that tourism stimulates commercial activity and supports existing businesses in the City; and</p>

Policy

A comprehensive Policy organized for easy navigation and administration of the Policy.

<p>Section 3. Statutory Regulations</p>
<p>The following Statutory Regulations authorize and regulate the collection and use of HOT Funds as identified in this Policy. It is the intent of the City to comply with all statutory regulations on the use of HOT Funds for Projects as authorized by the Codes referenced below.</p>
<p>3.1. Authorizing Code: Chapter 351 of the Texas Tax Code provides all statutory authorization for imposition, use and administration of HOT Funds in the City.</p>
<p>3.1.1. Imposition of HOT: Section 351.002 authorizes the imposition of a tax on a person who, under a lease, concession, permit, right of access, license, contract, or agreement, pays for the use or possession or for the right to the use or possession of a room that is in a Hotel, costs \$2 or more each day, and is ordinarily used for sleeping.</p>
<p>3.2. Authorized Use and Allocation of HOT Funds: Subchapter B of Chapter 351 provides for the use and allocation of revenues derived from the HOT.</p>
<p>3.2.1. Threshold No. 1 – General: Section 351.101(a) provides that HOT Funds may be used only to promote Tourism and the Convention and Hotel industry, and that such use is limited to the uses noted in Threshold No. 2 below.</p>
<p>3.2.2. Threshold No. 2 - Project Type: A proposed use of HOT Funds must meet the requirements of Threshold No. 1 above before being evaluated against the requirements of Threshold No. 2. Following are Project Types authorized for use of HOT Funds. Additional details for each use are provided in Section 5.2.2. herein.</p>

Application

An application would be developed that aligned with the criteria and certifications in the Policy. The application form easily allows for the applicant to insert required information.

1	APPLICANT INFORMATION		
2	Primary Contact:	Title:	
3	Business Name:		
4	Business Address:		
5	Wk Phone:	Cell:	Fax:
6	Email:		
7	Secondary Contact:	Title:	
8	Business Name:		
9	Business Address:		
10	Wk Phone:	Cell:	Fax:
11	Email:		
12	Property Owner Acknowledgement: I acknowledge that I have granted permission to the above Applicant to host the Project described herein on property that I own.		
13	Company:		
14	Signed:	Work:	
15		Cell:	
16	Name:	EM:	
17	Title:	Address:	