

SS HB 205 -- PROMOTION OF TOURISM

This bill authorizes certain cities and counties to impose a sales or transient guest tax; extends the expiration date of the Tourism Supplemental Revenue Fund; and allows certain counties to establish a theater, cultural arts, and entertainment district.

SALES TAX IN PERRY COUNTY FOR COMMUNITY PROGRAMS

Perry County is authorized to impose, upon voter approval, a sales tax of up to .25% to equally fund senior services and youth programs. The revenue collected for youth programs will be administered by an existing county tax force, while a seven-member senior services tax commission must be established to administer the revenue received for senior services. Appointments to the senior services tax commission will be made by the county commission, which will determine the qualifications, terms of office, and duties of the senior services tax commission.

TRANSIENT GUEST TAXES

The bill:

(1) Allows the City of Sullivan and the portion of the Sullivan C-II School District located in Franklin County to impose, upon voter approval, a transient guest tax from 2% to 5% per occupied room per night for the promotion of tourism; and

(2) Allows any municipality within Pemiscot County to impose, upon voter approval, a transient guest tax of up to 4% for a hotel or motel room. Revenue received from this tax will be deposited into the municipality's tourism tax trust fund. Currently, money in this fund must be used solely for the construction, maintenance, or operation of convention and tourism facilities, with at least 25% of the revenue being used for the marketing and promotion of tourism. In cities with a population of less than 1,500, 40% of the revenue can be transferred to the city's general revenue fund and 35% can be used for capital improvements, upon voter approval. The bill removes the 25% requirement and allows cities with fewer than 7,500 residents to transfer 40% of the revenue from this tax to the city's general revenue fund and use up to 35% of the revenue for capital improvements, upon voter approval.

THEATER, CULTURAL ARTS, AND ENTERTAINMENT DISTRICTS

Currently, only St. Charles County and its municipalities are allowed to establish a theater, cultural arts, and entertainment district. The bill allows the governing body of any county or

city that has adopted transect-based zoning under Chapter 89, RSMo, and the counties of Boone, Clay, Franklin, Jackson, or Jasper and their municipalities to form a district.

The bill:

- (1) Allows the district to fund infrastructure projects;
- (2) Reduces the number of contiguous acres the district must include from 50 to 25;
- (3) Requires, instead of allows, the governing body of the city or county in which a district is proposed and approved to pass a resolution containing specified information regarding the establishment of the district;
- (4) Specifies the meaning of "transect-based zoning"; and
- (5) Repeals the duplicate of Section 67.2505.

TOURISM SUPPLEMENTAL REVENUE FUND

Currently, the Division of Tourism Supplemental Revenue Fund will expire on June 30, 2010. The bill extends the expiration date to June 30, 2015.

The provisions regarding transferring transient guest tax funds to general revenue in cities with a population of 7,500 or less are repealed in Senate Bill 22 of the 2007 General Assembly.