

## HB 1081 -- Hotel and Motel License Taxes in Fourth Class Cities

Sponsor: Funderburk

Currently, the cities of Edmundson, St. Peters, and Woodson Terrace are limited on the amount of hotel and motel license tax per room per year they can collect and St. Peters is authorized to increase the hotel and motel license tax by 5% per year, but the total tax levied cannot exceed one-eighth of 1% of the hotel's or motel's gross revenue. Other cities are currently authorized to increase the hotel and motel license tax by 5% per year, but the total tax levied cannot exceed the greater of one-eighth of 1% of the hotel's or motel's gross revenue or the business license tax rate for the hotel or motel on May 1, 2005. This bill removes the per room per year license tax dollar limit for these three cities and the maximum license tax levies of one-eighth of 1% of gross revenue or the rate for the hotel or motel on May 1, 2005. All fourth class cities will be authorized to levy and collect a hotel and motel license tax not to exceed 2.5% of the hotel's or motel's gross revenue.