

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1445-01  
Bill No.: SB 365  
Subject: Tourism: Transient Tax  
Type: Original  
Date: February 9, 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.

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**FISCAL ANALYSIS**

ASSUMPTION

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.

Officials of the **City of Cuba** stated that the transient tax would generate approximately \$22,000 annually.

**Oversight assumes this proposal is enabling legislation and would have no state or local fiscal impact. Local government 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 would be adopted by the voters, small businesses of the hotel/motel industry and businesses that rent boat slips for recreational boating could be expected to be fiscally impacted to the extent that they would incur additional administrative duties and costs related to collection of the transient tax.

DESCRIPTION

This bill authorizes the City of Cuba to levy a tourism tax on charges for hotel and motel rooms and docking facilities which rent slips for recreational boating. The levy must be at least 2% ,but not more than 5%, and must be approved by the voters of the city.

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 Cuba



Jeanne Jarrett, CPA  
Director  
February 9, 2001