

FISCAL NOTE

The fiscal impact, in the form of a General Fund revenue increase and a corresponding revenue decrease to local governments from local lodging taxes, is indeterminable.

This bill would increase the distribution of local lodging taxes to the General Fund from 1% for state administrative costs to 10% including the 1% for state administrative costs.

This distribution change would not apply to a lodging tax imposed by any city, town or county until the next time that a proposition to impose or continue the tax is approved by the qualified electors of the city town or county after the effective date of the bill. The fiscal impact cannot be determined because it would depend of the results of future lodging tax elections. If all localities with a lodging tax in place during FY 2019 elected to extend their local lodging tax at the next election at the same rate, this bill would increase General Fund revenue by an estimated \$1,940,000 per year and decrease total lodging tax distributions to local governments by the same amount. This estimate is based on FY 2019 lodging tax collections.