

HB 1079 -- HOTEL AND MOTEL LICENSE FEES

SPONSOR: Mathews

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Local Government by a vote of 13 to 0.

This bill limits any increase in a license tax rate or fee amount on hotels and motels by more than 5% above the annual rate in effect on August 28, 2017.

The total dollar amount of all license taxes or fees on any hotel or motel in one year cannot exceed the greater of one-eighth of 1% of the gross revenue of the hotel or motel as of August 28, 2017, or the license tax or fee in effect on December 31, 2016.

If the revenue from a license tax or fee is dedicated and restricted to a project for which bonds were outstanding on January 1, 2017, this limitations of this section will not apply to the tax.

PROPONENTS: Supporters say that other cities are starting to look at this practice as an additional revenue stream so it needs to be expanded to be a statewide limit.

Testifying for the bill were Representative Mathews and the Missouri Hotel And Lodging Association.

OPPONENTS: Those who oppose the bill say that only a few cities are doing this, so the alleged problem does not need to be addressed statewide.

Testifying against the bill was the Missouri Municipal League.