

Adopted	Rejected
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COMMITTEE REPORT

YES:	22
NO:	0

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1074, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 6-9-32 IS ADDED TO THE INDIANA CODE AS
- 3 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
- 4 1, 1999]:
- 5 **Chapter 32. Jackson County Innkeeper's Tax**
- 6 **Sec. 1. (a) This chapter applies to a county having a population**
- 7 **of more than thirty-seven thousand (37,000) but less than**
- 8 **thirty-seven thousand eight hundred (37,800) that had adopted an**
- 9 **innkeeper's tax under IC 6-9-18 before July 1, 1999.**
- 10 **(b) The:**
- 11 **(1) convention, visitor, and tourism promotion fund;**
- 12 **(2) convention and visitor commission;**
- 13 **(3) innkeeper's tax rate; and**
- 14 **(4) tax collection procedures;**
- 15 **established under IC 6-9-18 before July 1, 1999, remain in effect**
- 16 **and govern the county's innkeeper's tax until amended under this**

1 **chapter.**

2 (c) A member of the convention and visitor commission
3 established under IC 6-9-18 before July 1, 1999, shall serve a full
4 term of office. If a vacancy occurs, the appointing authority shall
5 appoint a qualified replacement as provided under this chapter.
6 The appointing authority shall make other subsequent
7 appointments to the commission as provided under this chapter.

8 **Sec. 2. As used in this chapter:**

9 (1) "executive" and "fiscal body" have the meanings set forth
10 in IC 36-1-2; and

11 (2) "gross retail income" and "person" have the meanings set
12 forth in IC 6-2.5-1.

13 **Sec. 3. (a) The fiscal body of a county may levy a tax on every**
14 **person engaged in the business of renting or furnishing, for periods**
15 **of less than thirty (30) days, any room or rooms, lodgings, or**
16 **accommodations in any:**

17 (1) hotel;

18 (2) motel;

19 (3) boat motel;

20 (4) inn;

21 (5) college or university memorial union;

22 (6) college or university residence hall or dormitory; or

23 (7) tourist cabin;

24 **located in the county.**

25 (b) The tax does not apply to gross income received in a
26 transaction in which:

27 (1) a student rents lodgings in a college or university residence
28 hall while that student participates in a course of study for
29 which the student receives college credit from a college or
30 university located in the county; or

31 (2) a person rents a room, lodging, or accommodations for a
32 period of thirty (30) days or more.

33 (c) The tax may not exceed the rate of five percent (5%) on the
34 gross retail income derived from lodging income only and is in
35 addition to the state gross retail tax imposed under IC 6-2.5.

36 (d) The county fiscal body may adopt an ordinance to require
37 that the tax be reported on forms approved by the county treasurer
38 and that the tax shall be paid monthly to the county treasurer. If

1 such an ordinance is adopted, the tax shall be paid to the county
2 treasurer not more than twenty (20) days after the end of the
3 month the tax is collected. If such an ordinance is not adopted, the
4 tax shall be imposed, paid, and collected in exactly the same
5 manner as the state gross retail tax is imposed, paid, and collected
6 under IC 6-2.5.

7 (e) All of the provisions of IC 6-2.5 relating to rights, duties,
8 liabilities, procedures, penalties, definitions, exemptions, and
9 administration are applicable to the imposition and administration
10 of the tax imposed under this section except to the extent those
11 provisions are in conflict or inconsistent with the specific
12 provisions of this chapter or the requirements of the county
13 treasurer. If the tax is paid to the department of state revenue, the
14 return to be filed for the payment of the tax under this section may
15 be either a separate return or may be combined with the return
16 filed for the payment of the state gross retail tax as the department
17 of state revenue may, by rule, determine.

18 (f) If the tax is paid to the department of state revenue, the
19 amounts received from the tax imposed under this section shall be
20 paid monthly by the treasurer of state to the county treasurer upon
21 warrants issued by the auditor of state.

22 Sec. 4. (a) The county treasurer shall establish a convention,
23 visitor, and tourism promotion fund. The treasurer shall deposit in
24 this fund all amounts the treasurer receives under that section.

25 (b) The county auditor shall issue a warrant directing the
26 county treasurer to transfer money from the convention, visitor,
27 and tourism promotion fund to the treasurer of the commission
28 established under section 5 of this chapter if the commission
29 submits a written request for the transfer.

30 (c) Money in a convention, visitor, and tourism promotion fund,
31 or money transferred from such a fund under subsection (b), may
32 be expended:

33 (1) to promote and encourage conventions, visitors, and
34 tourism within the county; and

35 (2) to promote and encourage industrial and economic
36 development within the county. However, the county may not
37 expend more than twenty-five percent (25%) of the revenues
38 from the tax imposed under section 3 of this chapter to

1 **promote and encourage industrial and economic development.**
2 **Expenditures under subdivision (1) may include, but are not**
3 **limited to, expenditures for advertising, promotional activities,**
4 **trade shows, special events, and recreation.**

5 **(d) If before July 1, 1997, the county issued a bond with a pledge**
6 **of revenues from the tax imposed under IC 6-9-18-3, the county**
7 **shall continue to expend money from the fund for that purpose**
8 **until the bond is paid.**

9 **Sec. 5. (a) The county executive shall create a commission to**
10 **promote the development and growth of the convention, visitor,**
11 **and tourism industry in the county. If two (2) or more adjoining**
12 **counties desire to establish a joint commission, the counties shall**
13 **enter into an agreement under IC 36-1-7.**

14 **(b) The county executive shall determine the number of**
15 **members, which must be an odd number, to be appointed to the**
16 **commission. A simple majority of the members must be:**

17 **(1) engaged in a convention, visitor, or tourism business; or**

18 **(2) involved in or promoting conventions, visitors, or tourism.**

19 **If available and willing to serve, at least two (2) of the members**
20 **must be engaged in the business of renting or furnishing rooms,**
21 **lodging, or accommodations (as described in section 3 of this**
22 **chapter). Not more than one (1) member may be affiliated with the**
23 **same business entity. No more than a simple majority of the**
24 **members may be affiliated with the same political party. Each**
25 **member must reside in the county. The county executive shall also**
26 **determine who will make the appointments to the commission,**
27 **except that the executive of the largest municipality in the county**
28 **shall appoint a number of the members of the commission, which**
29 **number shall be in the same ratio to the total size of the**
30 **commission (rounded off to the nearest whole number) that the**
31 **population of the largest municipality bears to the total population**
32 **of the county.**

33 **(c) If a municipality other than the largest municipality in the**
34 **county collects fifty percent (50%) or more of the tax revenue**
35 **collected under this chapter during the three (3) month period**
36 **following imposition of the tax, the executive of the municipality**
37 **shall appoint the same number of members to the commission that**
38 **the executive of the largest municipality in the county appoints**

1 under subsection (b).

2 (d) Except as provided in subsection (c), all terms of office of
3 commission members begin on January 1. Initial appointments
4 must be for staggered terms, with subsequent appointments for
5 two (2) year terms. A member whose term expires may be
6 reappointed to serve another term. If a vacancy occurs, the
7 appointing authority shall appoint a qualified person to serve for
8 the remainder of the term. If an initial appointment is not made by
9 February 1 or a vacancy is not filled within thirty (30) days, the
10 commission shall appoint a member by majority vote.

11 (e) A member of the commission may be removed for cause by
12 the member's appointing authority.

13 (f) Members of the commission may not receive a salary.
14 However, commission members are entitled to reimbursement for
15 necessary expenses incurred in the performance of their respective
16 duties.

17 (g) Each commission member, before entering the member's
18 duties, shall take an oath of office in the usual form, to be endorsed
19 upon the member's certificate of appointment and promptly filed
20 with the clerk of the circuit court of the county.

21 (h) The commission shall meet after January 1 each year for the
22 purpose of organization. It shall elect one (1) of its members
23 president, another vice president, another secretary, and another
24 treasurer. The members elected to those offices shall perform the
25 duties pertaining to the offices. The first officers chosen shall serve
26 from the date of their election until their successors are elected and
27 qualified. A majority of the commission constitutes a quorum, and
28 the concurrence of a majority of the commission is necessary to
29 authorize any action.

30 **Sec. 6. (a) The commission may:**

31 (1) accept and use gifts, grants, and contributions from any
32 public or private source, under terms and conditions that the
33 commission considers necessary and desirable;

34 (2) sue and be sued;

35 (3) enter into contracts and agreements;

36 (4) make rules necessary for the conduct of its business and
37 the accomplishment of its purposes;

38 (5) receive and approve, alter, or reject requests and

- 1 proposals for funding by corporations qualified under
 2 subdivision (6);
 3 (6) after its approval of a proposal, transfer money, quarterly
 4 or less frequently, from the fund established under section
 5 4(a) of this chapter, or from money transferred from that
 6 fund to the commission's treasurer under section 4(b) of this
 7 chapter, to any Indiana not-for-profit corporation to promote
 8 and encourage conventions, visitors, or tourism in the county;
 9 and
 10 (7) require financial or other reports from any corporation
 11 that receives funds under this chapter.

12 (b) All expenses of the commission shall be paid from the fund
 13 established under section 4(a) of this chapter or from money
 14 transferred from that fund to the commission's treasurer under
 15 section 4(b) of this chapter. The commission shall annually prepare
 16 a budget, taking into consideration the recommendations made by
 17 a corporation qualified under subsection (a)(6), and submit it to the
 18 county fiscal body for its review and approval. An expenditure may
 19 not be made under this chapter unless it is in accordance with an
 20 appropriation made by the county fiscal body in the manner
 21 provided by law.

22 Sec. 7. All money coming into possession of the commission shall
 23 be deposited, held, secured, invested, and paid in accordance with
 24 statutes relating to the handling of public funds. The handling and
 25 expenditure of money coming into possession of the commission is
 26 subject to audit and supervision by the state board of accounts.

27 Sec. 8. (a) A member of the commission who knowingly:
 28 (1) approves the transfer of money to any person or
 29 corporation not qualified under law for that transfer; or
 30 (2) approves a transfer for a purpose not permitted under
 31 law;
 32 commits a Class D felony.

1 **(b) A person who receives a transfer of money under this**
2 **chapter and knowingly uses that money for any purpose not**
3 **permitted under this chapter commits a Class D felony.**

(Reference is to HB 1074 as introduced.)

and when so amended that said bill do pass.

Representative Bauer