

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6954**  
**BILL NUMBER: SB 297**

**DATE PREPARED:** Dec 28, 1999  
**BILL AMENDED:**

**SUBJECT:** Hendricks County Innkeeper's Tax.

**FISCAL ANALYST:** Brian Tabor  
**PHONE NUMBER:** 233-9456

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill provides that Hendricks County may adopt an innkeeper's tax similar to the Uniform Innkeeper's Tax, but also allows Hendricks County to use up to 25% of the tax revenue to promote and encourage industrial and economic development in the county. (The Uniform Tax does not specify that the tax revenue can be used for this purpose).

**Effective Date:** July 1, 2000.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Hendricks County currently levies the Uniform County Innkeeper's Tax at a rate of 5%. Under current law, the revenue generated through this tax must be used only to promote conventions and tourism in Hendricks County. This bill would re-establish the county's Innkeeper's Tax under a separate statute and would allow 25% of the revenue in the county's Convention, Visitor, and Tourism Promotion Fund to be used to promote and encourage industrial and economic development. The total Innkeeper's Tax revenue collected in Hendricks County for FY 1999 was \$341,547. Assuming that revenue remains constant, up to \$85,387 (25% of \$341,547) may be used for the promotion of industrial and economic development each year as of July 1, 2000.

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:** Hendricks County Treasurer, (317) 745-9322.