

SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1067 be amended to read as follows:

1 Page 11, between lines 41 and 42, begin a new paragraph and insert:
2 "SECTION 7. IC 6-9-36 IS ADDED TO THE INDIANA CODE AS
3 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
4 1, 2000]:
5 **Chapter 36. Huntington County Innkeeper's Tax**
6 **Sec. 1. (a) This chapter applies to a county having a population**
7 **of more than thirty-five thousand four hundred (35,400) but less**
8 **than thirty-six thousand (36,000) that adopted an innkeeper's tax**
9 **under IC 6-9-18 before July 1, 2000.**
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, 2000, remain in effect**
16 **and govern the county's innkeeper's tax until an ordinance to**
17 **impose the tax under this chapter is adopted by the county.**
18 **(c) A member of the convention and visitor commission**
19 **established under IC 6-9-18 before July 1, 2000, shall serve a full**
20 **term of office. If a vacancy occurs, the appointing authority shall**
21 **appoint a qualified replacement as provided under this chapter.**
22 **The appointing authority shall make other subsequent**
23 **appointments to the commission as provided under this chapter.**
24 **Sec. 2. As used in this chapter:**
25 **(1) "executive" has the meaning set forth in IC 36-1-2-5;**
26 **(2) "fiscal body" has the meaning set forth in IC 36-1-2-6;**
27 **(3) "gross retail income" has the meaning set forth in**
28 **IC 6-2.5-1-5; and**
29 **(4) "person" has the meaning set forth in IC 6-2.5-1-3.**
30 **Sec. 3. (a) The fiscal body of a county may levy a tax on every**
31 **person engaged in the business of renting or furnishing, for periods**

1 of less than thirty (30) days, any room or rooms, lodgings, or
2 accommodations in any:

- 3 (1) hotel;
- 4 (2) motel;
- 5 (3) boat motel;
- 6 (4) inn;
- 7 (5) college or university memorial union;
- 8 (6) college or university residence hall or dormitory; or
- 9 (7) tourist cabin;

10 located in the county.

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

- 13 (1) student rents lodgings in a college or university residence
14 hall while that student participates in a course of study for
15 which the student receives college credit from a college or
16 university located in the county; or
- 17 (2) person rents a room, lodging, or accommodations for a
18 period of thirty (30) days or more.

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

22 (d) The county fiscal body may adopt an ordinance to require
23 that the tax be reported on forms approved by the county treasurer
24 and that the tax be paid monthly to the county treasurer. If such an
25 ordinance is adopted, the tax shall be paid to the county treasurer
26 not more than twenty (20) days after the end of the month the tax
27 is collected. If such an ordinance is not adopted, the tax shall be
28 imposed, paid, and collected in the same manner as the state gross
29 retail tax is imposed, paid, and collected under IC 6-2.5.

30 (e) All the provisions of IC 6-2.5 relating to rights, duties,
31 liabilities, procedures, penalties, definitions, exemptions, and
32 administration are applicable to the imposition and administration
33 of the tax imposed under this section except to the extent those
34 provisions are in conflict or inconsistent with the specific
35 provisions of this chapter or the requirements of the county
36 treasurer. If the tax is paid to the department of state revenue, the
37 return to be filed for the payment of the tax under this section may
38 be either a separate return or may be combined with the return
39 filed for the payment of the state gross retail tax as the department
40 of state revenue may, by rule, determine.

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

45 **Sec. 4. (a)** The county treasurer shall establish a convention,
46 visitor, and tourism promotion fund. The treasurer shall deposit in
47 the fund all amounts the treasurer receives under section 3 of this
48 chapter.

1 (b) The county auditor shall issue a warrant directing the
2 county treasurer to transfer money from the convention, visitor,
3 and tourism promotion fund to the treasurer of the commission
4 established by section 5 of this chapter if the commission submits
5 a written request for the transfer.

6 (c) Money in a convention, visitor, and tourism promotion fund,
7 or money transferred from a fund under subsection (b), may be
8 expended to promote and encourage:

9 (1) conventions, visitors, and tourism within the county; and

10 (2) industrial and economic development within the county.

11 However, the county may not expend more than twenty-five
12 percent (25%) of the revenues from the tax imposed under section
13 3 of this chapter to promote and encourage industrial and
14 economic development.

15 Expenditures under subdivision (1) may include, but are not
16 limited to, expenditures for advertising, promotional activities,
17 trade shows, special events, and recreation.

18 (d) If before July 1, 2000, the county issued a bond with a pledge
19 of revenues from the tax imposed under IC 6-9-18-3, the county
20 shall continue to expend money from the fund for that purpose
21 until the bond is paid.

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

27 (b) The county executive shall determine the number of
28 members, which must be an odd number, to be appointed to the
29 commission. A simple majority of the members must be:

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

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

32 If available and willing to serve, at least two (2) members must be
33 engaged in the business of renting or furnishing rooms, lodging, or
34 accommodations (as described in section 3 of this chapter). Not
35 more than one (1) member may be affiliated with the same business
36 entity. Not more than a simple majority of the members may be
37 affiliated with the same political party. Each member must reside
38 in the county. The county executive shall also determine who will
39 make the appointments to the commission, except that the
40 executive of the largest municipality in the county shall appoint a
41 number of the members of the commission, which number shall be
42 in the same ratio to the total size of the commission (rounded off to
43 the nearest whole number) that the population of the largest
44 municipality bears to the total population of the county.

45 (c) If a municipality other than the largest municipality in the
46 county collects fifty percent (50%) or more of the tax revenue
47 collected under this chapter during the three (3) month period
48 following imposition of the tax, the executive of the municipality

1 shall appoint the same number of members to the commission that
 2 the executive of the largest municipality in the county appoints
 3 under subsection (b).

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

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

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

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

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

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

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

36 (2) sue and be sued;

37 (3) enter into contracts and agreements;

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

40 (5) receive and approve, alter, or reject requests and
 41 proposals for funding by corporations qualified under
 42 subdivision (6);

43 (6) after its approval of a proposal:

44 (A) expend money to promote and encourage:

45 (i) conventions, visitors, and tourism; or

46 (ii) industrial and economic development;

47 within the county, subject to the limitation under section 4
 48 of this chapter; or

- 1 **(B) transfer money, quarterly or less frequently, from the**
 2 **fund established under section 4(a) of this chapter, or from**
 3 **money transferred from that fund to the commission's**
 4 **treasurer under section 4(b) of this chapter, to any Indiana**
 5 **nonprofit corporation to promote and encourage:**
 6 **(i) conventions, visitors, or tourism; or**
 7 **(ii) industrial or economic development;**
 8 **in the county; and**
 9 **(7) require financial or other reports from a corporation that**
 10 **receives funds under this chapter.**
- 11 **(b) All expenses of the commission shall be paid from the fund**
 12 **established by section 4(a) of this chapter or from money**
 13 **transferred from that fund to the commission's treasurer under**
 14 **section 4(b) of this chapter. The commission shall annually prepare**
 15 **a budget, taking into consideration the recommendations made by**
 16 **a corporation qualified under subsection (a)(6), and submit it to the**
 17 **county fiscal body for its review and approval. An expenditure may**
 18 **not be made under this chapter unless it is in accordance with an**
 19 **appropriation made by the county fiscal body in the manner**
 20 **provided by law.**
- 21 **Sec. 7. All money coming into the possession of the commission**
 22 **shall be deposited, held, secured, invested, and paid in accordance**
 23 **with statutes relating to the handling of public funds. The handling**
 24 **and expenditure of money coming into the possession of the**
 25 **commission is subject to audit and supervision by the state board**
 26 **of accounts.**
- 27 **Sec. 8. (a) A member of the commission who knowingly:**
 28 **(1) approves the transfer of money to a person or corporation**
 29 **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.**
- 33 **(b) A person who receives a transfer of money under this**

- 1 **chapter and knowingly uses that money for a purpose not**
- 2 **permitted under this chapter commits a Class D felony."**
- 3 Renumber all SECTIONS consecutively.

(Reference is to EHB 1067 as printed February 23, 2000.)

Senator WHEELER