



Community Affairs

The Role of DCA



Repository

Maintain records of all ordinances and enabling legislation



Reporting

Promulgate an annual report on the tax rate, contracted entities, revenue, and expenditures



PRB

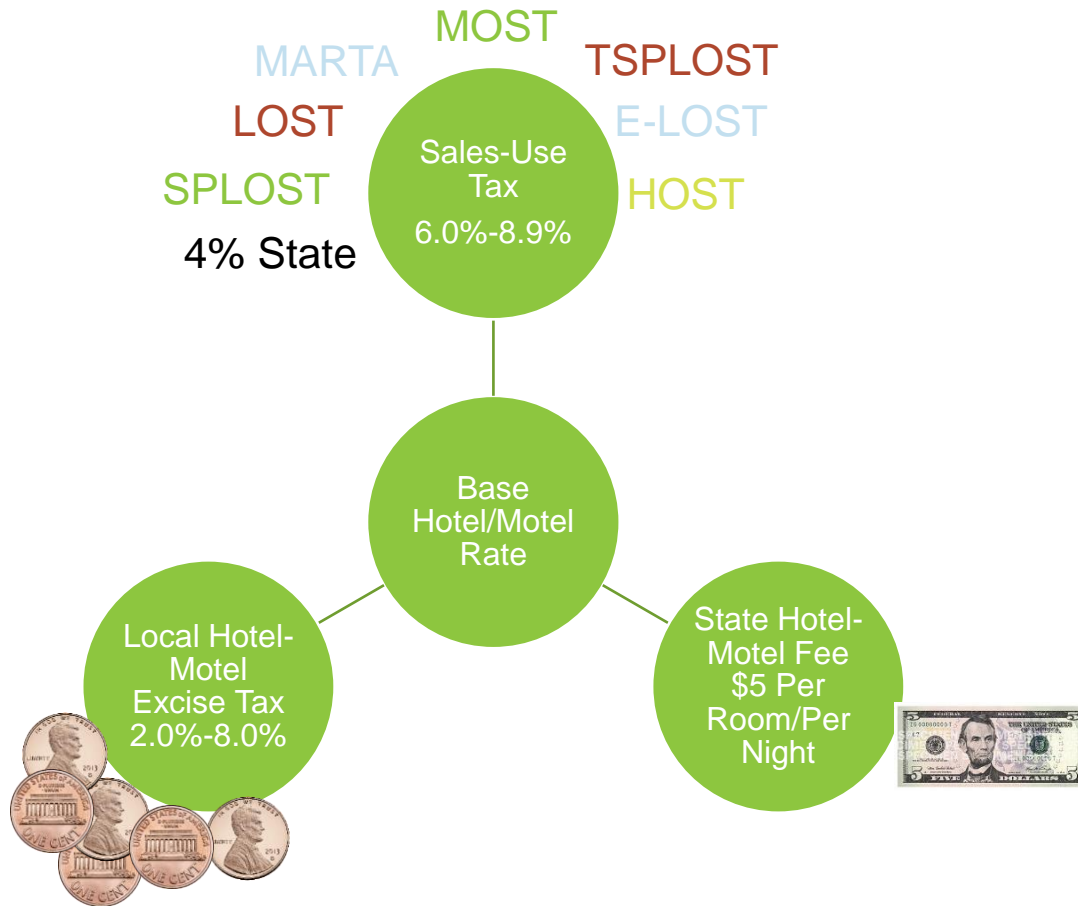
Convene the Performance Review Board annually to review bona fide HMT complaints



Logistics

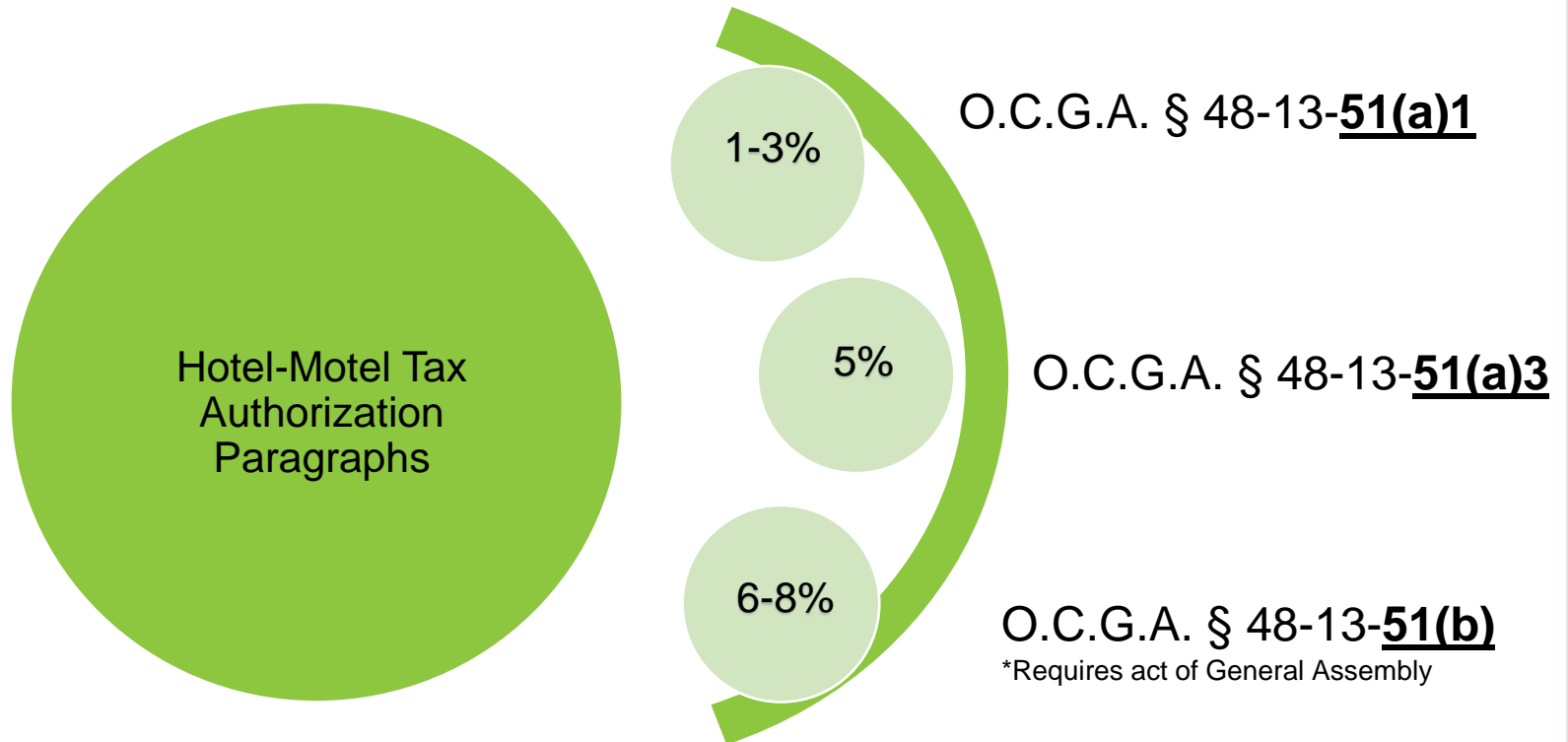
Assist local governments with questions, though *not* with legal guidance. Provide information and training programs

Hotel-Motel Tax Overview



Current Authorization Paragraphs

Hotel-Motel Tax Law addressed in OCGA Title 48, Chapter 13, Article 3 (Ch. 13 Paragraphs 50-56)

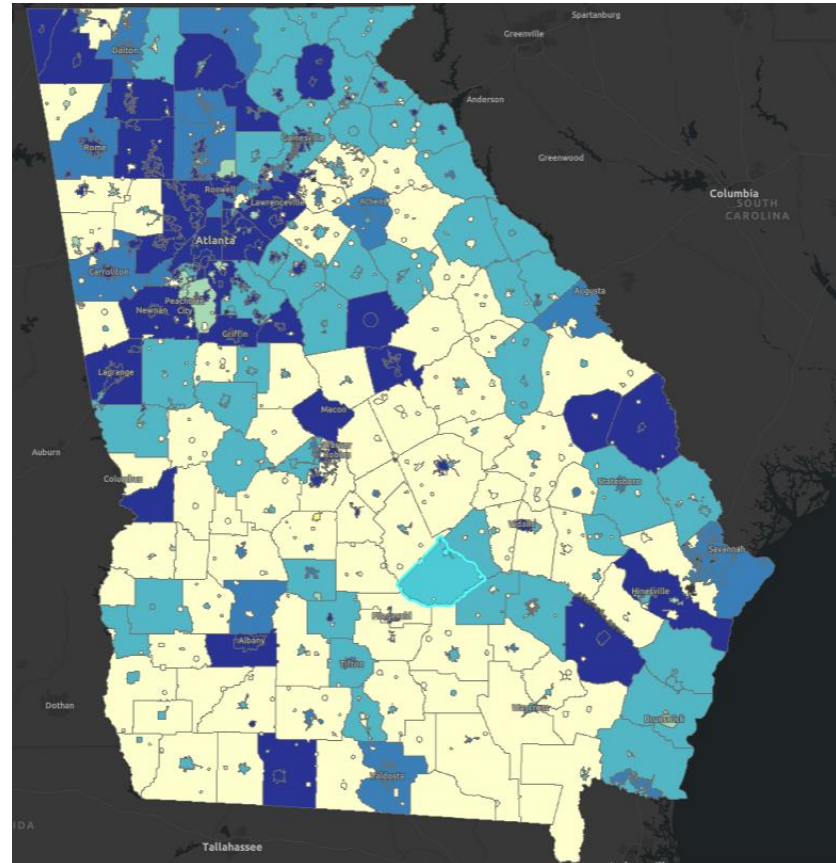


Non- Current Authorization Paragraphs

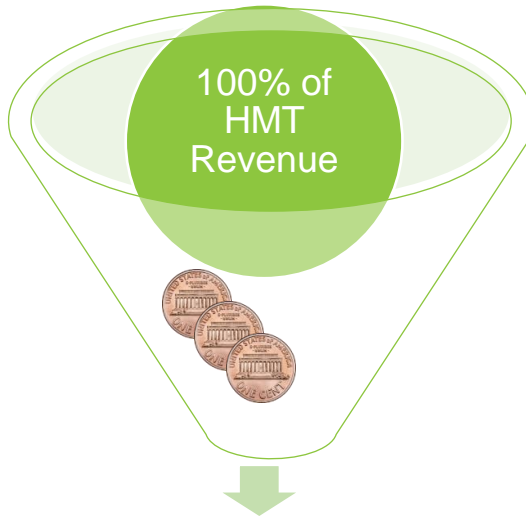
This general overview only covers the most common occurrences of local Hotel Motel Excise taxes.

Around 40 governments still collect under “grandfathered” authorization paragraphs which offer limited exceptions to the restrictions in these slides.

Reach out to DCA for questions on those or for other information on special topics not included here.

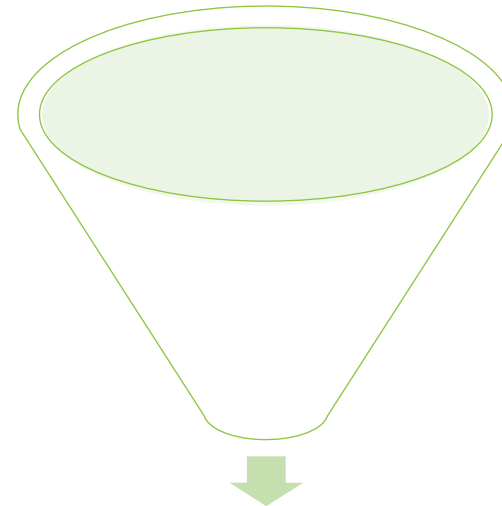


O.C.G.A. § 48-13-51(a)(1) – 1-3%



Non-Restricted

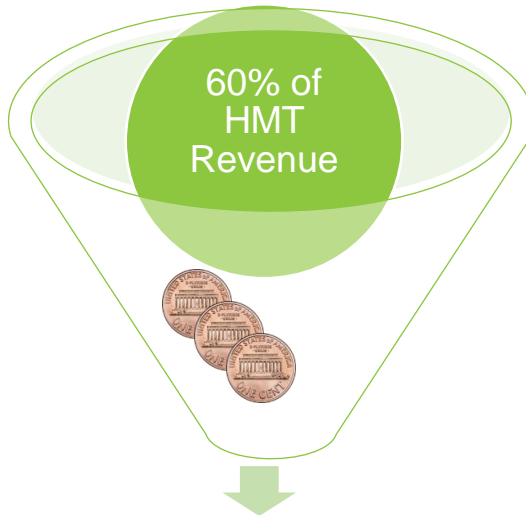
Proceeds can be used for any *legal* general fund purpose in the city, county, or consolidated government



Restricted

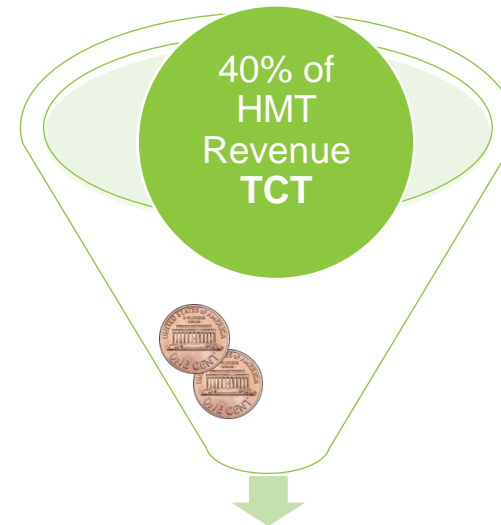
None, or not less than the percentage of such tax collections expended for TCT during the immediately preceding fiscal year

O.C.G.A. § 48-13-51(a)(3) – 5%



Non-Restricted

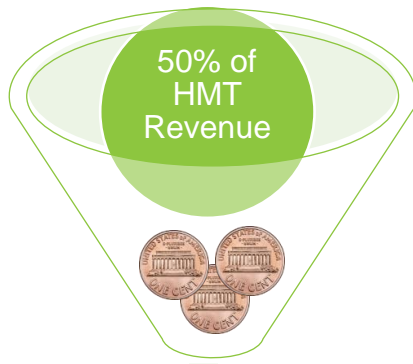
Proceeds can be used for any *legal* general fund purpose in the city, county, or consolidated government



Restricted

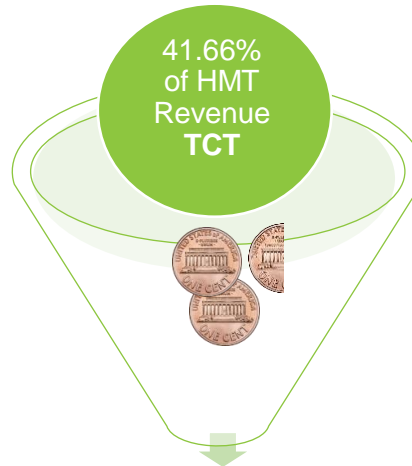
In each fiscal year, at least 40% of the HMT revenue must be used for TCT

O.C.G.A. § 48-13-51(b) – 6%



Non-Restricted

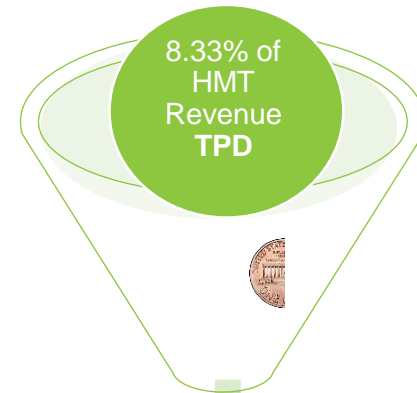
Proceeds can be used for any *legal* general fund purpose in the city, county, or consolidated government



Restricted

In each fiscal year, at least 41.66% of the HMT revenue must be used for TCT

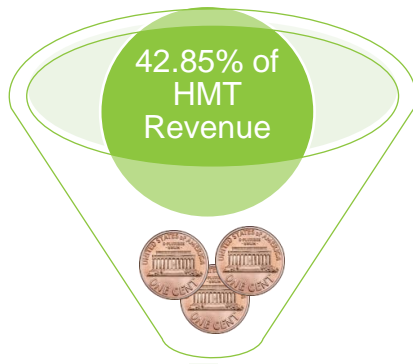
The first 2 pennies must be spent through an organization under 51(a)(3), the next 1.5 pennies must be spent through an organization under 51(b)



Restricted

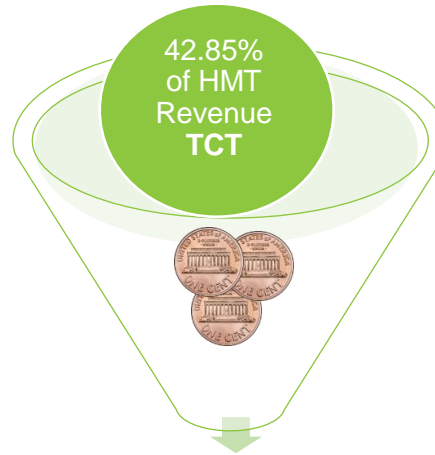
In each fiscal year, at least 8.33% of the HMT revenue must be used for TPD, Otherwise to be used for TCT

O.C.G.A. § 48-13-51(b) – 7%



Non-Restricted

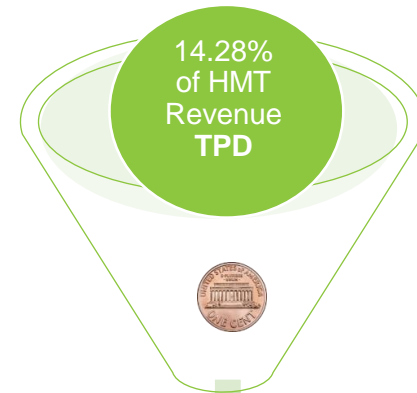
Proceeds can be used for any *legal* general fund purpose in the city, county, or consolidated government



Restricted

In each fiscal year, at least 42.85% of the HMT revenue must be used for TCT

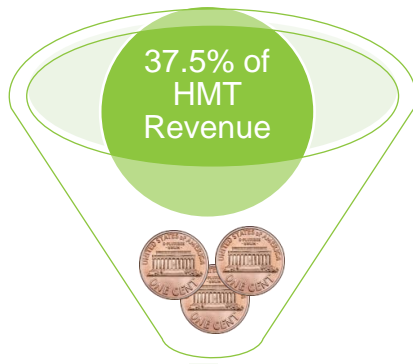
The first 2 pennies must be spent through an organization under 51(a)(3), the next 1.5 pennies must be spent through an organization under 51(b)



Restricted

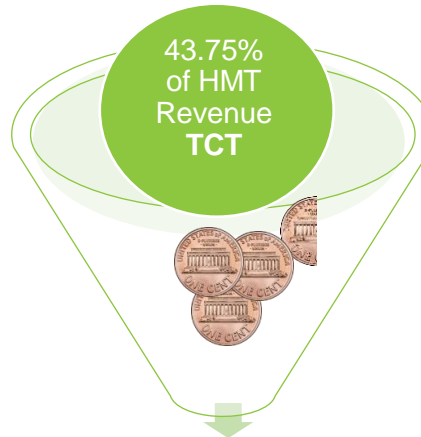
In each fiscal year, at least 14.28% of the HMT revenue must be used for TPD, Otherwise to be used for TCT

O.C.G.A. § 48-13-51(b) – 8%



Non-Restricted

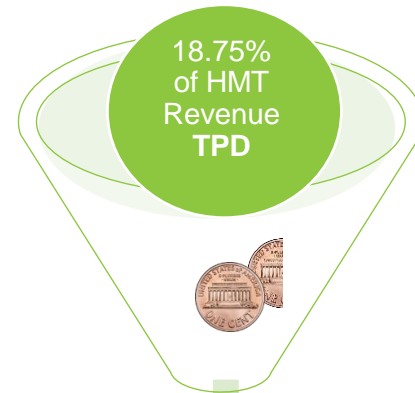
Proceeds can be used for any *legal* general fund purpose in the city, county, or consolidated government



Restricted

In each fiscal year, at least 43.75% of the HMT revenue must be used for TCT

The first 2 pennies must be spent through an organization under 51(a)(3), the next 1.5 pennies must be spent through an organization under 51(b)



Restricted

In each fiscal year, at least 18.75% of the HMT revenue must be used for TPD, Otherwise to be used for TCT

Tourism, Convention and Trade Shows (TCT)

- Means “Planning, conducting, or participating in programs of information and publicity designed to attract or advertise tourism, conventions, or trade shows.” O.C.G.A. § 48-13-50.2(4)
- Generally, includes things like:
 - Brochures, billboards, magazines
 - Social media and internet marketing campaigns
 - Radio and television commercials
 - Attracting convention or trade shows
- Avoid paying directly for events
- Expended through contracts with DMO
- ***Always ask the City or County Attorney***

Destination Marketing Organization (DMO)

- “A private sector non-profit organization or other private entity which is exempt...under Section 501(c)(6) of the IRS Code of 1986...”
- “Supported by the tax under this article, government budget allocations, private membership, or any combination thereof...”
- “Primary responsibilities of which are to “encourage travelers to visit their destinations, encourage meetings and expositions in the area, and provide visitor assistance and support as needed” OCGA 48-13-50.2(1)

Private Sector Non-Profit Organization

- “...a chamber of commerce, a convention and visitors bureau, a regional travel association, or any other private **group organized for similar purposes which is exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986; O.C.G.A. § 48-13-50.2(3)**

Alternative Purposes and Recipients

- ❑ In rare cases, a portion of restricted TCT funds collected under O.C.G.A. 48-13-51(a)(3) may be spent for other purposes
 - ❑ Supporting a facility owned or operated by a state authority for convention and trade show purposes
 - ❑ Supporting facilities owned by local governments if agreements were in place by certain dates
 - ❑ Consult your city or county attorney before pursuing these options
- ❑ Besides a private sector nonprofit organization, amounts expended under this paragraph can be through contracts with:
 - ❑ The State
 - ❑ Department of state government
 - ❑ State authority
 - ❑ **CVB authority created through Local Act of the General Assembly for a municipality**
 - ❑ Any combination of these entities

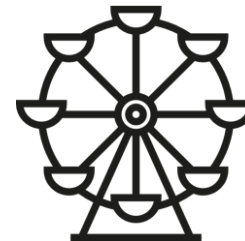
Tourism Product Development (TPD)

- “Creation or expansion of physical attractions which are available and open to the public and which improve destination appeal to visitors, support visitors' experience, and are used by visitors. Such expenditures *may include capital costs and operating expenses.*” O.C.G.A. § 48-13-50.2(6)

- (A) **Lodging** for the public for no longer than 30 consecutive days to the same customer;
- (B) Overnight or short-term sites for recreational vehicles, trailers, campers, or tents;
- (C) **Meeting, convention, exhibit**, and public assembly facilities;
- (D) Sports **stadiums**, arenas, and complexes;
- (E) **Golf courses** associated with a resort development that are open to the general public on a contract or fee basis;
- (F) Racing facilities, including dragstrips, motorcycle racetracks, and auto or stock car racetracks or **speedways**;
- (G) Amusement centers, amusement parks, theme parks, or amusement piers;
- (H) Hunting preserves, trapping preserves, or **fishing preserves or lakes**;
- (I) Visitor information and **welcome centers**;
- (J) **Wayfinding signage**;
- (K) Permanent, nonmigrating carnivals or fairs;
- (L) Airplanes, helicopters, buses, vans, or boats for excursions or sightseeing;
- (M) Boat rentals, boat party fishing services, rowboat or canoe rentals, horse shows, natural wonder attractions, picnic grounds, **river-rafting services**, scenic railroads for amusement, aerial tramways, rodeos, water slides, or wave pools;
- (N) **Museums**, planetariums, art galleries, botanical gardens, aquariums, or zoological gardens;
- (O) **Parks, trails**, and other recreational facilities; or
- (P) **Performing arts facilities.**

TPD Continued

- TPD Funds should be budgeted to be spent in the Fiscal Year in which they were collected
- Funds not spent towards TPD must otherwise be spent for TCT
- TPD funds can be used to secure debt for larger projects
- No restrictions on the recipient
- Should be identified as TPD in the annual budget
- Often used for facilities your residents will enjoy, but make sure they are open to and used by visitors

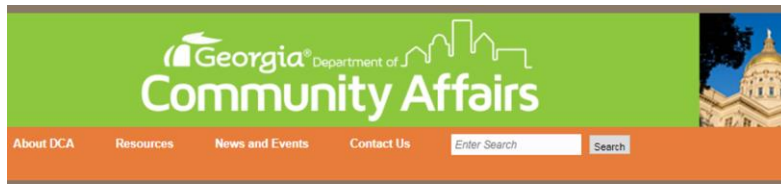


Tax Changes on STVR- HB317

- HB317 changed the definition of “innkeeper” to include marketplace facilitators in O.C.G.A. § 48-13-50.2.
- That means, beginning on July 1, 2021, they became responsible for the collection and remission of the \$5 fee and local HMT.
- Revenue is treated the same way as traditional hotel revenue, should be accounted for in Fund 275 and distributed accordingly.



Hotel-Motel Tax Report



[Hotel-Motel Tax Report System](#)
City of Tybee Island (2025004)

Main Menu - 2016

You can log out after completing any section (with exception of the Certification section) and return at a later time to complete or modify the other sections. Please note that if you do not save each report section, you will not be able to "Submit" the responses of the Certification page. Also in Section IV, you must provide a working email address to receive a confirmation email that DCA has received your report responses.

All of the sections must be completed before the report can be submitted

<input checked="" type="checkbox"/>	Form I	Tax Authorization Verification
<input checked="" type="checkbox"/>	Form II	Tax Revenues and Expenditures
<input checked="" type="checkbox"/>	Form III	Project Contractor Information Schedule (PCIS Form)
<input checked="" type="checkbox"/>	Form IV	Certification

- Within six (6) months of the end of the fiscal year, each jurisdiction imposing the HMT is responsible for completing the Hotel Motel Tax Report
 - Confirm rate and ordinance
 - Total Revenues (SR Fund 275);
 - Expenditures by statutory purpose (amount of revenue allocated to TCT and TPD)
 - Project Contractor Information Schedule (PCIS)
- This uses the same login as DCA's other web-based reports

Hotel-Motel Tax Report

**Hotel-Motel Excise Tax Restricted Spending
Project-Contractor Information Schedule (PCIS)**

To submit, save as .DOC (Microsoft Word) or .PDF (Adobe) file and provide to your local government point of contact

Revised April 2020

Reporting of Promotion of Tourism, Conventions & Trade Shows (TCT) Restricted Spending

To be completed by DMO Staff and returned to Local GO

Part I: Local Government Information

Local Government (Taxing Entity):

Jurisdiction's HMT Authorization Paragraph:

Part II: DMO/Contracted Entity Information

DMO/Contracted Entity Name:

Executive Director's Name:

Preparer's Name:

Preparer's Email Address:

DMO/Contracted Entity is a (Select One):

State Authority (not local)

Other

Part III: Restricted Spending - TCT Expenditure - Reporting

Event, Site, or Activity Promoted:

To:

Key Definitions:

"Designation marketing organization" (DMO) means a private sector nonprofit organization section 501(c)(6) of the Internal Revenue Code of 1986 that is supported by the tax and contribution thereof and the primary responsibility of which are to encourage travel and provide visitor assistance and support as needed. (OCGA § 48-13-51(3))

"Promoting tourism, conventions, and trade shows" means planning, conducting, or participating in advertising, promoting, or otherwise supporting tourism, conventions, or trade shows. (OCGA § 48-13-50.2(4))

Please email any questions regarding restricted spending or TCT

**Hotel-Motel Excise Tax Restricted Spending
Project-Contractor Information Schedule (PCIS)**

To submit, save as .DOC (Microsoft Word) or .PDF (Adobe) file and provide to your local government point of contact

Revised April 2020

Reporting of Tourism Product Development (TPD) Restricted Spending

Only for use in jurisdictions collecting 6%, 7%, or 8% under OCGA § 48-13-51(b)

To be completed by the Local Government, Local Authority, DMO, or other entity expending funds restricted to TPD spending and returned to Local Government Official completing Annual HMT Report

Part I: Local Government Information

Local Government (Taxing Entity):

Report for Fiscal Year (Based on last fiscal year):

Jurisdiction's HMT Rate:

*If your local government is not on this list, DCA does not have record of a current ordinance for HMT being collected under authorization paragraph OCGA § 48-13-51(b) and does not have restricted funds available for TPD. If you believe to be an error, please contact the DCA Office of Research at DCA_Research@dca.ga.gov.

Part II: Expending Organization/Entity Information

Organization/Entity Name:

Executive Director's Name:

Preparer's Name:

Preparer's Email Address:

Preparer's Title:

Preparer's Telephone Number:

Expending Organization is a (Select One):

501(c)(6) Non-Profit Organization

State Authority (not local authority, such as a DDA, Tourism Authority, etc.)

Agency/Department of State Government

CVB Created by Local Act of General Assembly

Local Authority (DDA, Tourism Authority, etc.)

Local Government (Municipality, County, Consolidated Government)

Other - (Please describe:)

Part III: Restricted Spending - TPD Expenditure - Reporting

Project Description	Type of TPD Project	Expenditure Type	Amount Expended
ex. Design, manufacturing, and installation of new wayfinding signage for downtown central business district, directing visitors to amphitheater, visitor's center, city hall, library, and third street park	Wayfinding Signage	Capital Expense	\$150,772
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- “Schedule of all revenues therefrom which are expended for the promotion of tourism, conventions, and trade shows or any other tourism related purpose which is specified under Code Section O.C.G.A. § 48-13-51
- Such schedule shall identify both the project or projects involved and the contracted entity involved in each such expenditure” O.C.G.A. § 36-81-8(b)(1)(B)
- Have contracting entity (DMO) complete form and submit to local government

Performance Review Board

- ❑ Complaint must be received by June 1st, on the proper form with the filing fee to be considered.
- ❑ Complaint can come from anyone, addressing a local government or DMO, regarding the current **or** most recently completed fiscal year
- ❑ Bona fide complaints will be heard by the 11 member PRB, who make recommendations to the Commissioner for remedial action



Georgia Department of Community Affairs Hotel/Motel Tax Complaint Form

Directions

Please complete the questions below. Your answers should be as detailed and descriptive as possible. Your complaint will be evaluated based on the information you provide. Failure to provide adequate information could result in your complaint not being processed.

1. What local government imposes the Hotel/Motel Tax related to your complaint concerning inappropriate expenditures of these revenues?

2. What Hotel/Motel Tax rate does this government impose?

- up to 3%
- 5%
- 6%
- 7%
- 8%

Thanks!

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Research and Data Analyst

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