LC002500

### STATE OF RHODE ISLAND

### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2015**

### AN ACT

# RELATING TO STATE AFFAIRS AND GOVERNMENT -- TOURISM AND DEVELOPMENT

Introduced By: Senator Dennis L. Algiere

Date Introduced: April 15, 2015

Referred To: Senate Finance

(by request)

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It is enacted by the General Assembly as follows:

SECTION 1. Section 42-63.1-3 of the General Laws in Chapter 42-63.1 entitled

"Tourism and Development" is hereby amended to read as follows:

42-63.1-3. Distribution of tax. -- Except as provided in § 42-63.1-12, the proceeds of the

hotel tax shall be distributed as follows by the division of taxation and the city of Newport:

(1) Forty-seven percent (47%) of the tax generated by the hotels in the district, except as

otherwise provided in this chapter, shall be given to the regional tourism district wherein the hotel

is located; provided, however, that from the tax generated by the hotels in the city of Warwick,

8 thirty-one percent (31%) of the tax shall be given to the Warwick regional tourism district

9 established in § 42-63.1-5(a)(5) and sixteen percent (16%) of the tax shall be given to the Greater

Providence-Warwick Convention and Visitors' Bureau established in § 42-63.1-11; and provided

further, that from the tax generated by the hotels in the city of Providence, sixteen percent (16%)

of that tax shall be given to the Greater Providence-Warwick Convention and Visitors' Bureau

established by § 42-63.1-11, and thirty-one percent (31%) of that tax shall be given to the

Convention Authority of the city of Providence established pursuant to the provisions of chapter

15 84 of the public laws of January, 1980; provided, however, that the receipts attributable to the

district as defined in § 42-63.1-5(a)(7) shall be deposited as general revenues;

(2) Twenty-five percent (25%) of the hotel tax shall be given to the city or town where

the hotel, which generated the tax, is physically located, to be used for whatever purpose the city

- 1 or town decides; provided, that for the hotel tax generated by hotels in the town of Westerly,
- 2 thirty-two percent (32%) of the hotel tax shall be given to the town of Westerly, to be used for
- 3 whatever purpose the town of Westerly decides; and seven percent (7%) of which shall be used
- 4 for tourism and marketing services.
- 5 (3) Twenty-one (21%) of the hotel tax shall be deposited as general revenues and seven
- 6 percent (7%) to the Greater Providence-Warwick Convention and Visitors' Bureau, except for the
- 7 tax generated by the hotels in the town of Westerly which shall be allocated as provided in
- 8 <u>subsection (2) above</u>.
- 9 SECTION 2. This act shall take effect upon passage.

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# EXPLANATION

# BY THE LEGISLATIVE COUNCIL

OF

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# RELATING TO STATE AFFAIRS AND GOVERNMENT -- TOURISM AND DEVELOPMENT

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1	This act would increase the town of Westerly's share of the hotel tax revenue generated
2	by hotels located in the town of Westerly from twenty-five percent (25%) to thirty-two percent
3	(32%).
4	This act would take effect upon passage.
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