WEST VIRGINIA LEGISLATURE

2021 REGULAR SESSION

Introduced

House Bill 2847

BY DELEGATES KEATON AND HAMRICK

[Introduced March 02, 2021; Referred to the

Committee on Finance]

1   A BILL to amend and reenact §7-11B-21 of the Code of West Virginia, 1931, as amended; and to

2   amend and reenact §7-18-1 of said code, all relating to the eligibility of the hotel occupancy

3   tax for a payment in lieu of taxes agreement under the Tax Increment Financing Act.

Be it enacted by the Legislature of West Virginia:

ARTICLE 11B. TAX INCREMENT FINANCING ACT.

§7-11B-21. Tax increment financing obligations -- authorizing order or ordinance.

1   (a) Issuance of tax increment financing obligations shall be authorized by order of the

2   county commission, or ordinance of the municipality, that created the development or

3   redevelopment district.

4   (b) The order, or ordinance, shall state the name of the development or redevelopment

5   district, the amount of tax increment financing obligations authorized, the type of obligation

6   authorized and the interest rate or rates to be borne by the bonds, notes or other tax increment

7   financing obligations.

8   (c) The order or ordinance may prescribe the terms, form and content of the tax increment

9   financing obligations and other particulars or information the county commission, or governing

10 body of the municipality, issuing the obligations deems useful or it may include by reference the

11 terms and conditions set forth in a trust indenture or other document securing the development

12 or redevelopment project tax increment financing obligations.

13   (d) Notwithstanding any other provision in this code to the contrary, the hotel occupancy

14 tax shall be eligible for a payment in lieu of taxes agreement under §7-11B-1 *et seq.* of this code.

ARTICLE 18. HOTEL OCCUPANCY TAX.

§7-18-1. Hotel occupancy tax.

1   (a) *Authority to impose.* -- On and after July 1, 1985, any county or municipality may

2   impose and collect a privilege tax upon the occupancy of hotel rooms located within its taxing

3   jurisdiction. The tax shall be imposed and collected as provided in this article.

4   (b) *Municipal tax.* -- A municipal hotel tax shall be imposed by ordinance enacted by the

5   governing body of the municipality, in accordance with the provisions of ~~article eleven, chapter~~

6   ~~eight~~ §8-11-1 et seq. of this code. The tax shall be imposed uniformly throughout the municipality;

7   and the tax shall apply to all hotels located within the corporate limits of the municipality, including

8   hotels owned by the state or by any political subdivision of this state.

9   (c) *County tax.* -- A county hotel tax shall be imposed by order of the county commission

10   duly entered of record. The tax shall be imposed uniformly throughout the county: *Provided,* That

11   no county commission may impose its tax on hotels located within the corporate limits of any

12   municipality situated, in whole or in part, within the county: *Provided, however,* That the tax

13   collected by a hotel owned by a municipality but located outside the corporate limits of the

14   municipality pursuant to this article shall be remitted to the municipality owning the hotel for

15   expenditure pursuant to the provisions of section fourteen of this article. The tax shall apply to all

16   hotels located outside the corporate limits of a municipality, including hotels owned by the state

17   or any political subdivision of this state.

18   (d) The tax shall be imposed on the consumer and shall be collected by the hotel operator

19   as part of the consideration paid for the occupancy of a hotel room.

20   <u>(e) Notwithstanding any other provision in this code to the contrary, the hotel occupancy</u>

21   <u>tax shall be eligible for a payment in lieu of taxes agreement under §7-11B-1 *et seq.* of this code.</u>

NOTE: The purpose of this bill is to make the hotel occupancy tax eligible for a payment in
lieu of taxes agreement under the Tax Increment Financing Act.

Strike-throughs indicate language that would be stricken from a heading or the present law
and underscoring indicates new language that would be added.