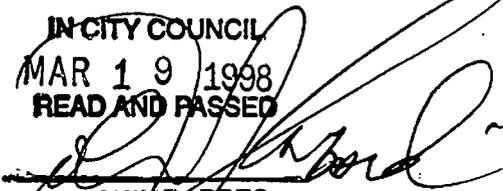
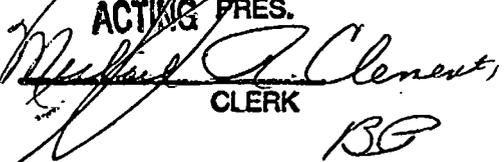


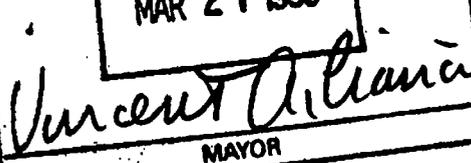
# RESOLUTION OF THE CITY COUNCIL

No. 216

Approved March 27, 1998

RESOLVED, That the City Council hereby endorses and urges passage by the General Assembly of House Bill 98-H 7864 and Senate Bill 98-S 2746 relating to State Affairs and Government--Rhode Island Tourism and Development.

IN CITY COUNCIL  
MAR 19 1998  
READ AND PASSED  
  
ACTING PRES.  
  
CLERK  
BG

APPROVED  
MAR 27 1998  
  
MAYOR

- IN CITY COUNCIL

**MAR 5 1998**  
FIRST READING  
REFERRED TO COMMITTEE ON  
STATE LEGISLATION

*Michael R. Clement* CLERK  
*ma*

THE COMMITTEE ON

*State Legislation*  
Recommends *Passage*  
*Barbara A. Poirier*  
Clerk

3-10-98

RECEIVED  
MAR 5 1998

*D. J. Fargnoli*

LC01751

STATE OF RHODE ISLAND  
IN GENERAL ASSEMBLY **98-H 7864**

JANUARY SESSION, A.D. 1998

AN ACT

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND TOURISM AND DEVELOPMENT

98-H 7864

Introduced By: Reps. Crowley and Fox

Date Introduced: February 3, 1998

Referred To: Committee on Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-63.1-3 of the General Laws in Chapter 42-63.1 entitled "Rhode  
2 Island Tourism and Development" is hereby amended to read as follows:

3 ~~42-63.1-3. Distribution of tax.~~ -- Except as provided in section 42-63.1-12 the proceeds  
4 of the hotel tax shall be distributed as follows by division of taxation and the city of Newport:

5 (a) Forty-seven percent (47%) of the tax generated by the hotels in the district except as  
6 otherwise provided in this chapter shall be given to the regional tourism district wherein the  
7 hotel is located; provided however, that from the tax generated by the hotels in the city of  
8 Warwick, thirty-one percent (31%) of said tax shall be given to the Warwick regional tourism  
9 district established in section 42-63.1-5(5) and sixteen percent (16%) of said tax shall be given to  
10 the Greater Providence-Warwick Convention and Visitors' Bureau established in section 42-  
11 63.1-11 and provided further, that from the tax generated by the hotels in the city of Providence,  
12 thirty-nine and one-half percent (39.5%) of said tax shall be given to the Greater Providence-  
13 Warwick Convention and Visitors' Bureau established by section 42-63.1-11, and seven and one-  
14 half percent (7.5%) of said tax shall be given to the Convention Authority of the city of  
15 Providence established pursuant to the provisions of chapter 84 of the public laws of January,  
16 1980, provided, however, that the receipts attributable to the district as defined in section 42-  
17 63.1-5(7) shall be deposited as general revenues;

# 98-H 7864

1 (b) ~~Twenty percent (20%)~~ Twenty-six percent (26%) of the hotel tax shall be given to the  
2 city or town wherein the hotel which generated the tax is physically located to be used for  
3 whatever purpose the city or town decides.

4 (c) ~~Thirty-three (33%)~~ Twenty-seven percent (27%) of the hotel tax shall ~~be deposited as~~  
5 general revenues, be given to the economic development corporation to be spent and applied for  
6 statewide tourism promotion.

7 SECTION 2. This act shall take effect upon passage.

LC01751

## EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND TOURISM  
AND DEVELOPMENT

...

1 This act would increase the city/town share of the hotel tax, decrease that portion of the  
2 tax dedicated to the general fund and divert the state's share to the Economic Development  
3 Corporation to be used for statewide tourism promotion.

4 This act would take effect upon passage.

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
AN ACT  
RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND TOURISM  
AND DEVELOPMENT

...

- 1 This act would increase the city/town share of the hotel tax, decrease that portion of the
- 2 tax dedicated to the general fund and divert the state's share to the Economic Development
- 3 Corporation to be used for statewide tourism promotion.
- 4 This act would take effect upon passage.

LC01749

LC01749

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 1998

AN ACT

S 2746

RELATING TO STATE AFFAIRS AND GOVERNMENT -- RHODE ISLAND TOURISM AND DEVELOPMENT

Introduced By: PAIVA WEEED ET AL

Date Introduced:

Referred To:

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-63.1-3 of the General Laws in Chapter 42-63.1 entitled "Rhode  
2 Island Tourism and Development" is hereby amended to read as follows:

3 42-63.1-3. Distribution of tax. -- Except as provided in section 42-63.1-12 the proceeds  
4 of the hotel tax shall be distributed as follows by division of taxation and the city of Newport:

5 (a) Forty-seven percent (47%) of the tax generated by the hotels in the district except as  
6 otherwise provided in this chapter shall be given to the regional tourism district wherein the  
7 hotel is located; provided however, that from the tax generated by the hotels in the city of  
8 Warwick, thirty-one percent (31%) of said tax shall be given to the Warwick regional tourism  
9 district established in section 42-63.1-5(5) and sixteen percent (16%) of said tax shall be given to  
10 the Greater Providence-Warwick Convention and Visitors' Bureau established in section 42-  
11 63.1-11 and provided further, that from the tax generated by the hotels in the city of Providence,  
12 thirty-nine and one-half percent (39.5%) of said tax shall be given to the Greater Providence-  
13 Warwick Convention and Visitors' Bureau established by section 42-63.1-11, and seven and one-  
14 half percent (7.5%) of said tax shall be given to the Convention Authority of the city of  
15 Providence established pursuant to the provisions of chapter 84 of the public laws of January,  
16 1980, provided, however, that the receipts attributable to the district as defined in section 42-  
17 63.1-5(7) shall be deposited as general revenues;

1 (b) ~~Twenty percent (20%)~~ Twenty-six percent (26%) of the hotel tax shall be given to the  
2 city or town wherein the hotel which generated the tax is physically located to be used for  
3 whatever purpose the city or town decides.

4 (c) ~~Thirty three (33%)~~ Twenty-seven percent (27%) of the hotel tax shall ~~be deposited as~~  
5 ~~general revenues, be given to the economic development corporation to be spent and applied for~~  
6 statewide tourism promotion.

7 SECTION 2. This act shall take effect upon passage.

LC01749

THE CITY OF NEWPORT

RESOLUTION

OF THE

COUNCIL

No. ....98-21.....

WHEREAS, legislation has been introduced into the 1998 session of the Rhode Island General Assembly to amend Section 42-63.1-3 which relates to the distribution of Hotel Tax; and

WHEREAS, Senate bill 98-S 2746 and House bill 98-H 7864 provide that the percentage of hotel tax distributed to cities and towns wherein the tax was generated be increased from 20% to 26%; and

WHEREAS, the increased revenue from an additional 6% of the hotel tax generated in Newport would help alleviate the burden placed on our taxpayers of providing public safety and other services to the millions of people who visit the City of Newport each year. NOW, THEREFORE, BE IT

RESOLVED: the Council of the City of Newport endorses passage of 98-S 2746 and 98-H 7864 and urges our local Legislative Delegation to strive for their passage. AND BE IT FURTHER

RESOLVED: that copies of this resolution also be forwarded to those cities and towns which would benefit from this proposed redistribution of the hotel tax, requesting their support of this legislation.

NEWPORT CITY COUNCIL

IN COUNCIL

READ AND PASSED  
February 25, 1998

*Yvonne Smith*  
\_\_\_\_\_  
Yvonne Smith  
City Clerk

# RESOLUTION OF THE CITY COUNCIL

No. 217

Approved March 27, 1998

RESOLVED, That the City Council hereby endorses and urges passage by the General Assembly of House Bill 98-H 7955 relating to An Act relating to Rhode Island Tourism and Development, in substantially the form attached.

IN CITY COUNCIL  
MAR 19 1998  
READ AND PASSED

*[Signature]*  
ACTING PRES.

*[Signature]*  
CLERK

APPROVED

MAR 27 1998

*[Signature]*  
MAYOR

IN CITY COUNCIL  
MAR 5 1998  
FIRST READING  
REFERRED TO COMMITTEE ON  
STATE LEGISLATION

*Michael R. Clement* CLERK  
*ma*

THE COMMITTEE ON  
*State Legislation*  
Recommends *Passage*  
*Bubba A. Davis*  
Clerk

3-10-98

*Council President Fargnoli:*

LC02123

STATE OF RHODE ISLAND  
IN GENERAL ASSEMBLY. **98-H 7955**

JANUARY SESSION, A.D. 1998

AN ACT

RELATING TO RHODE ISLAND TOURISM AND DEVELOPMENT

98-H 7955

Introduced By: Reps. Crowley, Fox, Sherlock, Callahan  
and Walters

Date Introduced: February 3, 1998

Referred To: Committee on Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-63.1-2 of the General Laws in Chapter 42-63.1 entitled "Rhode  
2 Island Tourism and Development" is hereby amended to read as follows:

3 42-63.1-2. Definitions. -- (1) "Corporation" means the Rhode Island economic  
4 development corporation.

5 (2) "Hotel" means any facility ~~offering a minimum of three (3) rooms for~~ which the  
6 public may, for a consideration, obtain transient lodging accommodations. The term "hotel" shall  
7 include hotels, motels, tourist homes, tourist camps, lodging houses, and inns and shall exclude  
8 schools, hospitals, sanitariums, nursing homes, and chronic care centers.

9 (3) "Consideration" means the monetary charge for the use of space devoted to transient  
10 lodging accommodations.

11 (4) "Occupancy" means a person, firm or corporation's use of space ordinarily used for  
12 transient lodging accommodations not to exceed thirty (30) days. Excluded from "occupancy" is  
13 the use of space for which the occupant has a written lease for the space, which lease covers a  
14 rental period of twelve (12) months or more.

15 (5) "District" means the regional tourism districts set forth in section 42-63.1-5.

16 (6) "Tax" means the hotel tax imposed by section 44-18-36.1.

17 SECTION 2. Section 44-18-36.1 of the General Laws in Chapter 44-18 entitled "Sales  
18 and Use Taxes -- Liability and Computation" is hereby amended to read as follows:

1        44-18-36.1. Hotel tax. — (a) There is hereby imposed a hotel tax of five percent (5%)  
2 upon the total consideration charged for occupancy of any space furnished by any hotel in this  
3 state. The hotel tax shall be in addition to any sales tax imposed. This hotel tax shall be  
4 administered and collected by the division of taxation and unless otherwise provided to the  
5 contrary in this chapter, all the administration, collection, and other provisions of chapters 18  
6 and 19 of this title shall apply. Provided, however, the city of Newport shall collect the tax  
7 generated by hotels physically located within the city of Newport, and shall, within ten (10) days  
8 of the receipt of the tax, distribute the tax in accordance with section 42-63.1-3 provided,  
9 however that the city of Newport shall submit to the division of taxation, by the first (1st) day of  
10 March and the first (1st) day of September of each year in which the city collects the tax, a report  
11 setting forth the city's receipts and distributions of funds collected hereunder for the prior six (6)  
12 month period ending thirty (30) days prior to the reporting date. Nothing in this chapter shall be  
13 construed to limit the powers of the convention authority of the city of Providence established  
14 pursuant to the provisions of chapter 84 of the Public Laws, January session, 1980, except that  
15 distribution of hotel tax receipts shall be made pursuant to chapter 63.1 of title 42 rather than  
16 chapter 84.

17        (b) Unless otherwise provided to the contrary in this chapter, the hotel tax, pursuant to  
18 subsection (a), shall apply to any space occupied between May 1, and Oct. 1 of each year. The  
19 tax imposed pursuant to this subsection shall be for any occupancy of four (4) months or less.

20        SECTION 3. Chapter 44-18 of the General Laws entitled "Sales and Use Taxes --  
21 Liability and Computation" is hereby amended by adding thereto the following section:

22        44-18-36.2. Local occupancy tax. — (a) Any municipality may impose a local  
23 occupancy tax not to exceed two dollars (\$2.00) per day per room for the occupancy of a hotel  
24 room. Hotel as defined in 44-18-7(a).

25        (b) Any municipality imposing a local occupancy tax shall collect said tax in a time  
26 frame consistent with the collection of the hotel tax. The local occupancy tax shall be paid  
27 directly to the municipality where the hotel is located.

28        SECTION 4. This act shall take effect upon passage.

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LC02323  
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# 98-H 7955

EXPLANATION  
BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO RHODE ISLAND TOURISM AND DEVELOPMENT

...

- 1 This act would amend the definition of hotel and provide an added tax between May 1
- 2 and Oct. 1 of each year.
- 3 This act would take effect upon passage.

LC02323

THE CITY OF NEWPORT

RESOLUTION

OF THE

COUNCIL

No. ...98-20.....

WHEREAS, the City of Newport is the prime tourist location in the State of Rhode Island, attracting millions of visitors each year; and

WHEREAS, in addition to normal transient tourist activity, the tremendous assets and recreational activities of the City of Newport has resulted in a profusion of short-term rental properties during the summer season, which place an additional strain on city services; and

WHEREAS, 98-H 7955 has been introduced into the 1998 session of the Rhode Island General Assembly, passage of which will amend the provisions of Chapter 42.63.1 of the RI General Laws, entitled, "Rhode Island Tourism and Development" to:

- 1) change the definition of "hotel" to eliminate the requirement that a facility must offer a minimum of three rooms in order to be defined as a "hotel"; and
- 2) provide that the hotel tax shall apply to short-term rentals of four months or less between May 1 and October 1; and
- 3) authorize the imposition of a an "occupancy tax" not-to-exceed \$2.00 per day per room for the occupancy of a hotel room, the collection of which shall be in a time frame consistent with the collection of the hotel tax.

NOW, THEREFORE, BE IT

RESOLVED: the Council of the City of Newport endorses passage of 98-H 7955 and calls upon the City's Legislative Delegation to strive for its passage, in an effort to help alleviate the

THE CITY OF NEWPORT

RESOLUTION

OF THE

COUNCIL

No. ... 98-20 .....  
(Page 2)

burden placed upon the property taxpayers who incur the costs associated with tourism and short-term rentals. AND BE IT FURTHER

RESOLVED: that copies of this resolution be forwarded to the City's Legislative Delegation, and to the other municipalities which would derive a benefit from this legislation, asking that they also work for passage of this bill.

NEWPORT CITY COUNCIL

IN COUNCIL

READ AND PASSED

February 25, 1998

*Yvonne Smith*

Yvonne Smith  
City Clerk