



## **Revenue Information Bulletin**

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**Sales Tax**

### **Orleans Parish Hotel Occupancy Tax and Food and Beverage Tax to Increase July 1**

Act No. 72 of the 2002 First Extraordinary Session of the Louisiana Legislature has authorized an increase in the rate of two taxes that the Department of Revenue collects for the Ernest N. Morial-New Orleans Exhibition Hall Authority. Beginning July 1, 2002, the rate of hotel occupancy tax to be collected by Orleans Parish hotels for the Exhibition Hall Authority will increase from two percent to three percent. The rate of food and beverage tax to be collected by food service establishments, whose annual gross receipts are \$500,000 or more, will increase by  $\frac{1}{4}$  percent from the present  $\frac{1}{2}$  percent to  $\frac{3}{4}$  percent.

This change in the rate of food and beverage tax will not apply to food service establishments whose gross annual receipts are less than \$500,000. The rate of food and beverage tax to be collected by food service establishments whose gross annual receipts are at least \$200,000 but less than \$500,000 will continue to be  $\frac{1}{2}$  percent. Establishments whose gross annual receipts are less than \$200,000 are not liable for the collection of the food and beverage tax. The food and beverage tax is collected only by food service establishments located in Orleans Parish or on the premises of any air transportation facility owned and operated by the City of New Orleans.

Orleans Parish hotels also collect the Authority's per night occupancy tax based on a hotel's capacity rather than a percentage of the room fee. This tax is 50 cents per occupied room per night for hotels with at least 10 and fewer than 300 rooms, \$1 per occupied room per night for hotels with at least 300 and fewer than 1,000 rooms, and \$2 per occupied room per night for hotels with 1,000 or more rooms. These tax rates remain in effect and are unchanged by Act No. 72.

The food and beverage tax and the per night occupancy tax are reported to the Louisiana Department of Revenue on Louisiana Tax Form R-1325. The Exhibition Hall Authority percentage taxes on hotel receipts are reported to the Department of Revenue on the 4-column tax form R-1029 DS, along with sales taxes due to the State of Louisiana and the Louisiana Stadium and Exposition District. These forms will be amended to reflect the new tax rates.

Further information concerning these taxes can be obtained by calling the Taxpayer Services Division of the Louisiana Department of Revenue at (225) 219-7356.

Cynthia Bridges  
Secretary

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