



HOTEL OCCUPANCY TAX USE GUIDELINES UNDER TEXAS STATE LAW AND FUNDING APPLICATION FORM

State Law: By law of the State of Texas, the City of Levelland collects a Hotel Occupancy Tax (HOT) from hotels, motels, and bed & breakfasts and inns. Under state law, the revenue from the HOT may be used only to directly promote tourism and the convention and hotel industry. **The use of HOT funds must generate additional room nights for local lodging establishments and is limited by Chapter 351 of the Tax Code to certain items including the below list.**

✓ **Please Check the Applicable Category:**

- Registration of Convention Delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
- Advertising, Solicitations and Promotions that Directly Promote Tourism and the Hotel and Convention Industry:** advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
- Promotions of the Arts that Directly Promote Tourism and the Hotel and Convention Industry:** that the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture photography, graphic and craft arts, motion picture, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms, and
- Historical Restoration and Preservation Activities that Directly Promote Tourism and the Hotel and Convention Industry:** historical restoration and preservation projects or activities or advertising and conducting solicitation and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.
- Sporting Event Expenses that Substantially Increase Economic Activity at Hotels:** expenses including promotional expenses, directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels and motels within the city or its vicinity.

City Policy: The Levelland Lodging & Tourism (LLT) committee accepts applications from groups and businesses whose programs fit into one or more of the above categories. All requests for funds should be submitted in writing accompanied by a completed and signed application form. The application will be reviewed and acted on in a timely manner. The applicant may be asked to make a presentation at a meeting and answer any questions regarding the application. If so, applicants will be notified at least three days prior to the meeting of its time and place.

If funds have not been previously budgeted or approved for this event, the Levelland City Council will review and make the final decision on your request. Entities wishing to have funds for their event included in an upcoming City HOT Fund budget (budget year is October 1 through September 30) must submit a complete application package to the LLT committee by July 1 prior to the October start of the budget year.

Eligibility and Priority for Hotel Tax Funds: Priority will be given to those events and entities based on their ability to generate overnight visitors to Levelland. If an event will not generate any meaningful hotel night activity, it is not eligible for receipt of hotel occupancy tax funds. Events can prove this potential to generate overnight visitors by:

- a) Historic information on the number of room nights used during previous years of the same events;
- b) Current information on the size of a room block that has been reserved at area hotels to accommodate anticipated overnight guests attending the event requesting hotel tax funds;

- c) Examples of marketing of the programs and activities likely to generate and encourage overnight visitors to local lodging properties;
- d) Examples and historic information on the number of room nights generated by similar events in other similarly situated cities.

Recognition of Sponsorship: All events receiving HOT funds from the City of Levelland must recognize LLT committee as a sponsor. An LLT committee logo is available for this use upon request. Please call 806-894-3157 or e-mail jdrennan@levelland.com to make a request.

Use of Local Vendors: We encourage all event organizers to patronize Levelland businesses for food, supplies, materials, printing, etc. to the extent feasible. Applicants may be asked to explain why items that are available locally were purchased elsewhere. Please contact us for help locating businesses and resources.

Payment of HOT Funds: Approved HOT funds will be paid upon submission of a Post Event Report, due within 60 days of the event completion. For this reason, event organizers are encouraged to save proceeds from each event to be used as initial operating funds for the same event in the future. Local organizations hosting an event for the first time may qualify for payment of half the HOT funds prior to the event. Please view the “**Reimbursement Checklist**” provided.

Use of Revenues from Event: No other outside event(s), project, charity, etc., sponsored by the host organization may profit from the LLT committee’s funding of a particular event unless it has been outlined in the original HOT application.

Post Event Report: All entities that are approved for HOT funds must submit a Post Event Report within 60 days of each funded event in order to receive the approved funds. The report will be reviewed by the City LLT committee to determine how well the entity met its goals and will be used in consideration of future HOT funding requests. Priority in the future will be given to those events that demonstrate an ability to generate overnight visitors to Levelland.

By signing this form, you are agreeing that Levelland may use pictures and/or video from your event for promotional purposes.

I have read the above rules mandating the HOT and agree to the terms:

Signature: _____ **Date:** _____

Reminder: Attach or include the proposed schedule of your events and activities for the proposed event.

Please sign and return the above copy with your application for funding. Retain a copy for your records.

Please Submit to: Jody Drennan or Mary Siders
Levelland Chamber of Commerce
1101 Avenue H Levelland, TX 79336
Phone: 806-894-3157 Fax: 806-894-4284
jdrennan@levelland.com or msiders@levelland.com

