

# **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 Lampasas collects a Hotel Occupancy Tax (HOT) from hotels, motels, and bed & breakfasts and inns. Per Chapter 351, Texas Tax Code, There is a two part test that every expenditure must pass to be valid.

1. The expenditure must directly enhance and promote tourism and the convention and hotel industry.
2. The expenditure must clearly fit into one of the seven statutory categories for expenditure of local hotel occupancy tax revenues:
  - i) **Convention Centers and Visitor Information Centers**
  - ii) **Registration of Convention Delegates**
  - iii) **Advertising, Solicitations and Promotions that Directly Promote Tourism and the Hotel and Convention Industry**
  - iv) **Promotions of the Arts that Directly Promote Tourism and the Hotel and Convention Industry**
  - v) **Historical Restoration and Preservation Activities that Directly Promote Tourism and the Hotel and Convention Industry**
  - vi) **Sporting Event Expenses that Substantially Increase Economic Activity at Hotels**
  - vii) **Enhancement and upgrading of existing sport facilities or fields**

**City Policy:** The City of Lampasas accepts applications from groups, businesses and organizations whose program fits into one or more of the above categories. All requests for funds should be submitted in writing accompanied by the official application at least 60 days prior to the event or request for funds. The application will be reviewed by the Lampasas City Council at the earliest possible regularly scheduled meeting. The applicant may be asked to be present at the meeting to answer any questions regarding the application. Applicants will be notified one week prior to the meeting of the time and place for the review. The Lampasas City Council will make the final decision regarding any requests for Hotel Occupancy Tax expenditures.

**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 Lampasas. 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) **historical information on the number of guests at hotel or other lodging facilities that attended the funded event or facility;** and/or
- d) **examples of marketing of the activity, event, or facilities that are likely to generate encourage overnight visitors to local lodging properties.**

**Use of Local Vendors:** The City of Lampasas encourages all event organizers to patronize local businesses for food, supplies, materials, printing, etc.

**Use of Revenues from Event:** A portion of the revenues from any event and/or project receiving any type of funding assistance from the HOT funds should be channeled back into the future costs of operating that same event or the continued operation of the project.

**Supplemental Information Required With Application:** Along with the application, please submit the following:

\_\_\_\_\_ Proposed Marketing Plan for Funded Event

\_\_\_\_\_ Schedule of activities, events or facility programs relating to the request

**Funded Projects or Events will be required** to submit a Post Event Evaluation; required to provide a link on the event or facility website to LampasasLodging.com, and to use [www.LampasasLodging.com](http://www.LampasasLodging.com) on any print advertising; and submit any invoices for reimbursement within 60 days of the conclusion of the event.

Submit to: Kathi Masonheimer, LEDC Director  
312 E. Third  
Lampasas, TX 76550  
Email: [kathi@cityoflampasas.com](mailto:kathi@cityoflampasas.com)  
Phone: 512-556-6831

# Application

## *Organization Information*

Date: \_\_\_\_\_

Name of Organization: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Phone Number: \_\_\_\_\_

Web Site Address for Event or Sponsoring Entity \_\_\_\_\_

Is your organization:    Non-Profit \_\_\_\_\_                      Private/For Profit \_\_\_\_\_

Tax ID #: \_\_\_\_\_                      Entity's Creation Date: \_\_\_\_\_

Purpose of your organization: \_\_\_\_\_

Name of Event, Project or Facility  
\_\_\_\_\_

Date of Event or Project: \_\_\_\_\_

Primary Location of Event or Project: \_\_\_\_\_

Amount Requested: \_\_\_\_\_

How will the funds be used: \_\_\_\_\_

---

---

---

---

---

---

---

---

Primary Purpose of Funded Activity/Facility: \_\_\_\_\_

---

---

**Percentage of Hotel Tax Support of Related Costs**

\_\_\_\_\_ Note Percentage of Total **Event Costs** Covered by Hotel Occupancy Tax

\_\_\_\_\_ Note Percentage of Total **Facility Costs** Covered by Hotel Occupancy Tax

\_\_\_\_\_ Note Percentage of **Staff Costs** Covered by Hotel Occupancy Tax

If staff costs are covered, estimate percentage of time staff spends annually on the funded event(s) compared to other activities \_\_\_\_\_

**Check Which Categories Apply to Funding Request and Amount Requested Under Each Category:**

**1. Convention Center or Visitor Information Center:** construction, improvement, equipping, repairing, operation and maintenance of convention center facilities or visitor information centers, or both

---

**2. Registration of Convention Delegates:** furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants; \_\_\_\_\_

**3. Advertising, Solicitations, Promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity.** \_\_\_\_\_

**4. Promotion of the Arts that Directly Enhance Tourism and the Hotel & Convention Industry:** 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;

---

**5. 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;**

---

**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.** \_\_\_\_\_

**Sporting Related Event Funding:**

If the event is a sporting related function/facility: How many individuals are expected to participate?

---

If the event is a sporting related function/facility: How many of the participants are expected to be from another city or county?

---

If the event is a sporting related function/facility: Quantify how the funded activity will substantially increase economic activity at hotel and motels within the city or its vicinity?

---

**Questions for All Funding Requests:**

How many years have you held this Event or Project; or how many years have you been operating the qualified facility : \_\_\_\_\_

Expected Attendance: \_\_\_\_\_

How many people attending the Event or Project will use Lampasas hotels, motels or bed & breakfasts?

---

How many nights will they stay: \_\_\_\_\_

Do you reserve a room block for this event at an area hotel and if so, for how many rooms and at which hotels: \_\_\_\_\_

---

Do your promotional materials and website note area lodging facilities that can host participants? \_\_\_\_\_  
(please attach copy if available)

Have you negotiated a lodging rate at any hotels for participants of your event? \_\_\_\_\_

Please list other years (over the last three years) that you have hosted your Event or Project with amount of assistance given from HOT and the number of hotel rooms used:

City	Month/Year Held	Assistance Amount	Number of Hotel Rooms Used
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

How will you measure the impact of your event on area hotel activity?

---

---

Please list other organizations, government entities and grants that have offered financial support to your project: \_\_\_\_\_

---

Please check all promotion efforts your organization is coordinating and the amount financially committed to each media outlet:

Paid Advertising \_\_\_\_\_ Newspaper \_\_\_\_\_ Radio \_\_\_\_\_ TV \_\_\_\_\_

Press Releases to Media \_\_\_\_\_ Direct Mailing to out of town recipients \_\_\_\_\_

Other \_\_\_\_\_

What areas does your advertising and promotion reach:

\_\_\_\_\_

What number of individuals will your proposed marketing reach that are located in another city or county?

\_\_\_\_\_

**If a permanent facility (e.g. museum, visitor center)**

Expected Attendance Monthly/Annually: \_\_\_\_\_

Please note percentage of those in Attendance that are Staying at Area Hotels/Lodging Facilities: \_\_\_\_\_