

**CITY OF TOMBALL
ADMINISTRATIVE POLICIES, RULES AND PROCEDURES**

SUBJECT HOTEL OCCUPANCY TAX GRANT POLICY	NUMBER: 22	EFFECTIVE DATE: June 19, 2023	PAGE 1 OF 2
	REVISED: June 19, 2023	APPROVED BY CITY MANAGER: June 19, 2023	
	SUPERSEDES: October 5, 2009	APPROVED BY CITY COUNCIL: June 19, 2023	

Chapter 351.002 of the Texas Tax Code authorizes a municipality, by ordinance, to impose a tax on a person who pays for the right to use or temporarily take possession of a room located in a hotel/motel that is ordinarily used for sleeping. The tax is imposed on the cost of the room itself and is not imposed on the cost of any food served or on any other services provided by the hotel/motel.

The revenue derived from the municipal occupancy tax may only be used to promote tourism and the convention and hotel industry in the community. For a city the size of Tomball located in a county the size of Harris County, the authorized uses are limited to the following:

1. the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both;
2. the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
3. advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
4. 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 pictures, 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 solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums:
 - a. at or in the immediate vicinity of convention center facilities or visitor information centers; or
 - b. located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates;
6. signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality;
7. day-to-day operations, supplies, salaries, office rental, travel expenses, and other administrative costs only if those administrative costs are incurred directly in the promotion and servicing expenditures listed above.

In the event that the authorized uses included in Chapter 351 of the Tax Code are changed, the Tax Code authorized uses will apply.

Tourists are defined by Chapter 351 as an individual who travels from the individual's residence to a different municipality, county, state, or country for pleasure, recreation, education, or culture. *Tourism* is defined as the guidance or management of tourists.

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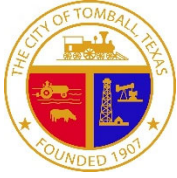
Requests for Use of Hotel Occupancy Tax

Any organization requesting the use of City of Tomball Hotel Occupancy Tax funds for a purpose that qualifies as an authorized use must complete the Application for Use of Hotel Occupancy Tax (Exhibit A). The call for applications occurs during the City’s annual budget process to allow the necessary appropriation of funds. Once received, the application submissions are provided to the Tourism Advisory Committee for consideration. The Tourism Advisory Committee provides City Council with recommendations for consideration. All requests for Hotel Occupancy Tax funding must be approved by City Council.

Separate applications must be submitted for each qualified purpose. Applications for annual events must be submitted each year. Funding approved previously does not guarantee funding in subsequent years.

Approved funding will be paid to the requesting organization on a reimbursement basis and will not be paid in advance. The reimbursement paid to the organization will be based on the lesser of the actual cost or approved funding amount. Invoices and proof of payment must be provided for all qualifying expenses.

EXHIBIT A



City of Tomball Application for Use of Hotel Occupancy Tax

Application Date: _____

Name of Organization/Business: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Contact Name: _____

Phone Number: _____ Email: _____

Type of Organization/Business: Private/For-Profit Non-Profit

Purpose of organization/business: _____

Does your event/expenditure pass Part One of the statutory Hotel Occupancy Tax test listed below?

Defined specifically as directly enhancing and promoting tourism in Tomball and directly promoting the overnight accommodation industry in Tomball by increasing overnight stays.

Yes No

Does your event/expenditure pass Part Two of the statutory Hotel Occupancy Tax test, defined specifically as limiting the use of Hotel Occupancy Tax funds to one of more of the following categories?

Select all categories that apply.

- Establishment, improvement or maintenance of a convention or visitor center
- Administrative cost for facilitating convention registration
- Advertising, solicitations, and promotions that attracts tourists and delegates
- Encouragement, promotion, improvement, and application of the arts
- Historical restoration or preservation programs
- Signage directing tourists to attractions visited by hotel guests
- None of the above

Is this a new event/expenditure? Yes No

Name of the event/expenditure: _____

Website address of event/expenditure: _____

Date(s) of event/expenditure: _____

Location of event/expenditure: _____

Description of event/expenditure: _____

Estimated local attendees: _____ Estimated out of town attendees: _____

If approved, how will the grant funds be used? _____

How will you measure the impact of your event on local overnight accommodations? _____

Amount of funding requested: \$ _____

Current operating budget for the event/expenditure: \$ _____

Total funding dedicated to advertising/promotion of event/expenditure: \$ _____

Organization's direct contribution to the operating and advertising budget: \$ _____

Please indicate all promotion efforts your organization will utilize to alert visitors of the event/expenditure:

- | | | | |
|---|------------------------------------|---|--|
| <input type="checkbox"/> Paid Advertising | <input type="checkbox"/> Radio | <input type="checkbox"/> Television | <input type="checkbox"/> Brochures |
| <input type="checkbox"/> Social Media | <input type="checkbox"/> Newspaper | <input type="checkbox"/> Online/Digital | <input type="checkbox"/> Press Release |

How do you intend to advertise or promote your event to gain overnight stays in Tomball? _____

1. I have read the entire information in this application packet and understand and will comply with all provisions therein; and that I intend to use the grant for the event/expenditure to directly enhance and promote the tourism and hotel industry by attracting visitors from outside of Tomball to stay overnight in one of Tomball's lodging facilities.
2. I will abide by all relevant local, state, and federal laws/regulations regarding the use of Hotel Occupancy Tax.
3. I understand that all grant funds are provided on a reimbursement basis and only proven eligible expenses will be reimbursed.
4. Applicant acknowledges that if grant funds are awarded, the event organizers agree to allow the financials of this event to be viewed at any time by the City of Tomball prior to receiving reimbursement for the event.

Applicant Signature: _____

Applicant Name: _____

Required Documents:

- Itemized budget of expenditures for grant funds
- Organization's most recent annual budget
- Organization's most recent financial statements – must be audited for grants exceeding \$100,000
- List of Board of Directors/Event Committee with contact information
- IRS Form W-9 – required if not currently on file with the City of Tomball
- Any other information that supports the request for funding

Please submit applications by email to finance@tomballtx.gov or mail/deliver to:

City of Tomball
Attn: Finance Dept.
501 James Street
Tomball, Texas 77375