



Andy Beshear  
Governor

**KENTUCKY TOURISM, ARTS  
AND HERITAGE CABINET**

Mike Berry  
Secretary

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Legislative Research Commission  
Kentucky General Assembly  
702 Capitol Avenue  
Frankfort, Kentucky 40601

Dear Commission Members:

As required by KRS 142.406, the Tourism, Arts and Heritage Cabinet is pleased to provide you with a report on the expenditures made in Fiscal Year 2022 from the Tourism, Meeting and Convention Marketing Fund (1% Statewide Lodging Tax) enacted by the General Assembly in 2005. A short synopsis of KRS 142.406 is included as Attachment 1.

In FY22, the fund had a total of \$21,214,983.64, available to use for the marketing and promotion of tourism in the Commonwealth. Expenditures from this fund for the fiscal year totaled \$14,266,376.09. During FY22, (409,635.55) was adjusted by the Department of Revenue for incorrect tax payment amounts. Carry forward cash into Fiscal Year 2023 was \$6,948,607.55. (Attachment 2)

Kentucky Department of Tourism expenditures made from this fund in FY22 totaled \$14,266,376.09. \$10,485,733.44 was spent by the Department for marketing, promotion both nationally and internationally, and \$1,424,151.19 was spent on marketing by other agencies in our Cabinet. As required by HB 192 of the 2021 Regular Session, Tourism Grants of \$750,000 were distributed. (Attachment 3) Lastly, the Department helped fund local projects in each of the nine tourism regions through its Tourism Marketing Incentive Program in the amount of \$1,606,491.46. This program distributes much-needed marketing funds to local tourism promotion agencies on a matching basis as prescribed by state regulations, as summarized in Attachment 4.

Our Cabinet's goal is to use these monies in the most beneficial way in support of the Commonwealth's tourism industry. I will be happy to answer any questions you or your staffs may have regarding this important and effective spending.

Sincerely,

Michael E. Berry  
Secretary

Attachments

C: Honorable Andy Beshear  
Executive Cabinet Secretary Hicks

**Synopsis of KRS 142.406**

**Tourism Meeting and Convention Marketing Fund**

KRS Chapter 142 - Section 400 creates a transient room tax (lodging tax) at the rate of **1 percent** of the rent, on every occupancy of any suite, room, rooms, or cabins charged by all persons, companies, corporations, groups, or organizations doing business as motor courts, motels, hotels, inns, tourist camps or like or similar accommodations businesses (excludes campgrounds).

The transient room tax is in addition to the current 6 percent sales tax, and any locally assessed transient room tax, and will be reported separately each month.

For the purposes of state sales tax calculations, the 1 percent transient room tax should be reported as part of taxable receipts just as the locally assessed transient room tax is currently reported.

Tax receipts from this tax are deposited into the Tourism, Meeting and Convention Marketing Fund administered by the Commerce Cabinet. This fund shall be used for the sole purpose of marketing and promoting tourism in the Commonwealth including expenditures to market and promote events and venues related to meetings, conventions, trade shows, cultural activities, historical sites, recreation, entertainment, natural phenomena, areas of scenic beauty, craft marketing, and any other economic activity that brings tourists and visitors to the Commonwealth.

**Source: Kentucky Department of Revenue – [revenue.ky.gov/Business/Transient-Room-Tax/Pages](http://revenue.ky.gov/Business/Transient-Room-Tax/Pages)**

**Kentucky Tourism, Arts and Heritage Cabinet  
Tourism Meeting and Convention Marketing Fund  
Cash Summary FY 2022**

<b>Revenues</b>	<b>Amount</b>
Beginning Cash Balance	5,293,800.29
Recognized Revenues	16,592,352.89
Misc Revenues	0.00
Interest Income	(261,533.99)
Revenue Correction Transfers from Recognized Revenue	(409,635.55)
<b>Available Cash</b>	<b>21,214,983.64</b>
<b>Expenditures</b>	<b>Amount</b>
State Expenditures	11,909,884.63
Local Tourism Marketing Incentive Funds	1,606,491.46
HB 192 Line Items	750,000.00
<b>Total Expenditures</b>	<b>14,266,376.09</b>
<b>Year-End Cash Balance</b>	<b>6,948,607.55</b>

**Note: Revenue correction transfer due to incorrect tax amounts paid. As a correction measure these amounts were credited back to the Department of Revenue.**

**Kentucky Tourism, Arts and Heritage Cabinet  
Tourism Meeting and Convention Marketing Fund  
State Expenditures FY 2022**

Dept of Tourism Marketing & Advertising	7,780,139.25
Dept of Tourism - International Marketing	1,112,020.41
Dept of Tourism - Web/Internet Marketing	354,485.72
Dept of Tourism - Sponsorship	125,414.37
Dept of Tourism - Research	593,912.17
Dept of Tourism - Membership Dues/Partnerships	248,504.60
Dept of Tourism - Public Relations	271,256.92
Dept of Parks Marketing	691,320.67
KY Artisan Center Marketing	50,000.00
KY Horse Park Marketing	62,742.17
KY Arts Council	65,000.00
Office of the Secretary Marketing	555,088.35
Tourism Marketing Incentive Program	1,606,491.46
HB 192 Line Items	<u>750,000.00</u>
<b>Total State Expenditures</b>	<b><u><u>14,266,376.09</u></u></b>

**Tourism Marketing Incentive Program  
Region Summary  
Disbursements FY 2022**

<b>Region</b>	<b>Regional</b>	<b>Local</b>	<b>Region Totals</b>
Kentucky's Western Waterland Region	0.00	0.00	92,040.92
Green River Region	0.00	0.00	56,490.99
Kentucky's Cave Region	0.00	0.00	78,713.60
Louisville Lincoln Region	0.00	0.00	657,888.75
Southern Kentucky Region	0.00	0.00	44,340.52
Northern Kentucky Tourism Region	0.00	0.00	358,053.49
Kentucky's Bluegrass Region	0.00	0.00	218,960.19
Eastern Highlands North Region	0.00	0.00	45,156.26
Eastern Highlands South Region	0.00	0.00	54,846.74
	<b>0.00</b>	<b>0.00</b>	<b>1,606,491.46</b>

**Tourism Marketing Incentive Program  
Kentucky's Western Region  
Disbursements FY 2022**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Kentuckys Western Waterland Inc.	REGIONAL	0.00
City Of Marion Recreational, Tourism & Convention Commission	Local	1,182.00
Marshall County Tourist & Convention Commission	Local	14,969.49
Murray Convention & Visitors Bureau	Local	8,124.32
Grand Rivers Tourism Commission C/O City Of Grand Rivers Ky	Local	5,044.50
Hopkinsville Christian Co Rec. Tourism & Conv.	Local	17,044.50
Lake Barkley Tourist Commission/Lyon Co Fiscal Court	Local	7,367.00
Cadiz-Trigg County Tourism and Convention Commission	Local	4,867.00
Oak Grove Toursim and Convention Commission	Local	5,589.49
Mayfield Tourism Commission	Local	6,542.00
Paducah McCracken County Conv & Visitors Bureau	Local	<u>21,310.62</u>
	<b>Region Total</b>	<b>92,040.92</b>

**Tourism Marketing Incentive Program  
Green River Region  
Disbursements FY 2022**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Green River Tourism Committee Inc	REGIONAL	0.00
Henderson Co Tourist Commission	Local	16,666.00
Hopkins Co. Tourist & Convention Commission	Local	16,733.00
Central City Tourist & Convention Commission/City of Central City	Local	2,267.77
Owensboro-Daviess Co. Convention And Visitors Bureau	Local	17,753.22
Ohio County Tourism Commission	Local	<u>3,071.00</u>
	<b>Region Total</b>	<b>56,490.99</b>

**Tourism Marketing Incentive Program  
Kentucky's Cave Region  
Disbursements FY 2022**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Kentuckys Cave Country Inc	REGIONAL	0.00
Bowling Green Area Convention Visitors Bureau	Local	36,544.12
Cave City Tourism & Convention Commission	Local	14,901.48
Edmonson County Tourist & Convention Commission	Local	1,840.00
Glasgow Barren Co Tourist & Conv Commission	Local	1,960.00
Horse Cave/Hart County Tourist Commission	Local	5,425.00
Munfordville Toursim Commission	Local	1,808.00
Park City Tourist & Convention Commission	Local	5,226.50
Simpson Co Tourism Commission	Local	<u>11,008.50</u>
	<b>Region Total</b>	<b>78,713.60</b>



**Tourism Marketing Incentive Program  
Louisville Lincoln Region  
Disbursements FY 2022**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Louisville Lincoln Tourism Region, Inc	REGIONAL	0.00
Bardstown/Nelson Co Rec, Tourist & Conv Commission	Local	13,086.00
Larue County Fiscal Court	Local	888.00
City Of Leitchfield Tourism And Convention Commission	Local	3,638.00
City of Lebanon	Local	1,500.00
City Of Radcliff - Radcliff Recreation Convention & Tourist	Local	11,444.00
Elizabethtown Tourism & Convention Bureau	Local	38,758.75
Louisville And Jefferson County Visitors & Convention Commis	Local	532,589.00
Oldham County Tourist & Convention Commission	Local	14,352.00
Shelbyville/Shelby Co Tourist & Convention Comm	Local	12,672.00
Shepherdsville Bullitt Co Tourist & Conv Comm	Local	28,961.00
	<b>Region Total</b>	<b>657,888.75</b>

**Tourism Marketing Incentive Program  
Southern Kentucky Region  
Disbursements FY 2022**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Southern Ky Vacations Inc	REGIONAL	0.00
Burnside Tourist and Recreation Commission	Local	3,594.27
Clinton Co Tourist and Convention Commission	Local	2,547.00
Lake Cumberland Tourist Commission	Local	11,720.00
McCreary Co Tourism Commission	Local	2,200.50
Monticello Wayne Co Tourist Comm	Local	2,604.00
Somerset Pulaski Co Conv & Visitors Bureau	Local	14,579.75
Taylor Co Tourist Commission	Local	<u>7,095.00</u>
	<b>Region Total</b>	<b>44,340.52</b>

**Tourism Marketing Incentive Program  
Northern Kentucky Tourism Region  
Disbursements FY 2022**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Northern Ky Tourism Region Inc	REGIONAL	0.00
City of Augusta& Bracken Co Tourist	Local	560.00
Carrollton Carroll Co Tourism & Convention Comm	Local	2,598.71
Grant Co. Tourist & Convention Commission	Local	9,718.55
Maysville-Mason County Convention & Visitors	Local	5,750.00
Northern Ky Conv And Visitors Commission	Local	<u>339,426.23</u>
	<b>Region Total</b>	<b>358,053.49</b>

**Tourism Marketing Incentive Program  
Kentucky's Bluegrass Region  
Disbursements FY 2022**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Bluegrass Tourism Region Inc.	REGIONAL	0.00
Berea Tourism/City of Berea	Local	17,145.00
Danville Boyle Co Conv and Visitors Bureau	Local	12,840.47
Frankfort/ Franklin Co Tourist and Convention Commission	Local	7,125.00
Georgetown/ Scott Co Tourism & Convention Commission	Local	29,113.78
Greater Lexington Convention And Visitors Bureau	Local	113,906.58
Harrodsburg/ Mercer Co Tourist Commission	Local	4,250.50
Lawrenceburg/Anderson Co Tourism Commission	Local	1,125.00
Nicholasville, Wilmore, Jessamine Co Joint Tourism Commission	Local	6,934.00
Richmond Tourism Commission	Local	16,055.00
Lincoln Co Fiscal Court	Local	866.00
Winchester Clark County Recreation Convention & Tourism Comm	Local	5,873.86
Woodford Co Tourist Commission	Local	<u>3,725.00</u>
	<b>Region Total</b>	<b>218,960.19</b>

**Tourism Marketing Incentive Program  
Eastern Highlands North Region  
Disbursements FY 2022**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Eastern Highlands North	REGIONAL	0.00
Ashland/ Boyd Co Tourism & Convention Commission	Local	11,075.26
Mt Sterling/Montgomery Co Tourist Commission	Local	9,056.00
Paintsville Tourism Commission	Local	5,860.00
Prestonsburg Tourism Commission	Local	<u>19,165.00</u>
	<b>Region Total</b>	<b>45,156.26</b>

**Tourism Marketing Incentive Program  
Eastern Highlands South Region  
Disbursements FY 2022**

<b>Applicant</b>	<b>Regional/Local</b>	<b>Amt Paid</b>
Eastern Kentucky Highlands South Inc	REGIONAL	0.00
City Of Corbin Tourist And Convention Commission Inc	Local	11,564.00
City of Harlan Tourism & Convention Commission	Local	8,190.00
Letcher County Tourism & Convention Commission	Local	1,750.50
London/ Laurel County Tourist Commission	Local	19,567.12
Williamsburg Tourist & Convention Commission	Local	10,208.62
Mt Vernon/Rockcastle Co Tourist Commission Inc	Local	<u>3,566.50</u>
	<b>Region Total</b>	<b>54,846.74</b>