

CHAPTER 137**(HB 55)**

AN ACT relating to local government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. KRS 153.450 is amended to read as follows:

- (1) In addition to the four percent (4%) transient room tax authorized by KRS 91A.390 an urban-county government may levy an additional transient room tax not to exceed two percent (2%) of the rent for every occupancy of a suite, room, or rooms, charged by all persons, companies, corporations, or other like or similar persons, groups, or organizations doing business as motor courts, motels, hotels, inns, or like or similar accommodations' businesses.
- (2) All additional moneys collected from the tax authorized by subsection (1) of this section shall be applied toward the retirement of bonds used to finance a nonprofit corporation which is created for the funding, construction, and management of a convention center in an urban-county, and to defray the operating costs of the nonprofit corporation.
- (3)
 - (a) *As used in this subsection, "project" means the renovation, expansion, or improvement of a convention center on or after the effective date of this Act.*
 - (b) *In addition to the levy authorized by subsection (1) of this section, an urban-county government may levy an additional transient room tax not to exceed two and one-half percent (2.5%) to provide funding for a project.*
 - (c) *Proceeds from the levy shall be used only for the direct expenditure for, or repayment of debt associated with, the project.*
 - (d) *The levy shall sunset upon completion of the project and repayment of all associated debt.*

Signed by Governor April 27, 2016.