



## HOTEL OCCUPANCY TAX

### **Dear Applicant:**

The City of Lindale procedures for applying for HOT funds has been updated with some new requirements. Please read carefully.

The City of Lindale collects a Hotel Occupancy Tax (HOT) from hotels. The use of HOT revenue is expended to bring tourists to Lindale to stay in our local hotels, eat in our restaurants, shop at our local stores, buy gas at our gas stations, pay for entertainment, etc. These expenses bring revenue back into our local economy. The City has limited funds to bring events to Lindale. The City Staff will calculate return of investment and the economic impact of the proposed event.

Requirements to receive HOT funds (previously funded grants do not guarantee funding for the following year):

1. Must attend a Mandatory Workshop on Hotel Occupancy Tax
2. Must meet the two-part test.
3. Application must be filled out completely.
4. Post Event Form must be completed with receipts and an invoice within 30 days of the event. Funds will be reimbursed after this information is received.
5. Applicant must show how the event will bring tourism to the City of Lindale.

Thank you.

Tourism Department  
55 Miranda Lambert Way  
Unit 3  
Lindale, TX 75771  
903-881-5103  
[www.visitlindale.com](http://www.visitlindale.com)



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

**State Law:** By law of the State of Texas, the City of Lindale collects a Hotel Occupancy Tax (HOT) from hotels. The use of HOT revenue is limited to expenditures that meet the following two-part test. Even if the event meets the requirements, it does not guarantee funding.

**FIRST**, every expenditure must directly enhance and promote tourism and the convention and hotel industry. In other words, the expenditure must be likely to attract visitors from outside Lindale into the city or its vicinity and must have some impact on convention and hotel activity (heads in beds). If the expenditure is not reasonably likely to accomplish this result, it will not be funded by HOT revenues.

**SECOND**, expenditures must clearly fit into one of nine statutory categories for the expenditure of HOT revenues. These nine categories are as follows:

1. Funding the establishment, improvement or maintenance of a convention center or visitor information center.
2. Paying the administrative costs for facilitating convention registration.
3. Paying for tourism-related advertising and promotion of the city or its vicinity.
4. Funding programs that enhance the arts. (See Exhibit A: Municipal Funding of Arts Using Hotel Occupancy Tax Revenues)
5. Funding historical restoration or preservation programs.
6. Funding costs to hold sporting events in certain municipalities.
7. Enhancing and upgrading existing sport facilities or field for certain municipalities.
8. Funding transportation systems for tourists.
9. Signage directing the public to sights and attractions that are visited frequently by hotel guests in the city.



### **The Application Process:**

The Tourism Director accepts applications from organizations and businesses wishing to receive financial support through a grant from the local Hotel Occupancy Tax (HOT) revenue collected.

1. To be considered for a HOT fund grant, applicants must complete the attached form, including the required attachments; deliver them to the City of Lindale Tourism Department by July 1, 2021 and present the application to the Tourism Department before any expenditures are made. (NOTE: Applicants are advised to apply at their earliest opportunity.
2. The application will be reviewed for compliance, completeness, and based on the return of investment to the City. All qualified applicants will be considered for funding for the following budget year. The applicant will be notified by September 2021.
3. The Post-Event Report and proofs of payment with receipts that reflect actual monies paid must be submitted no later than thirty (30) days following the event. The Post Event Report should mirror the Budget Project Worksheet presented in applicant's original documentation. Failure to turn in Post Event Report disqualifies application for funding for the following year.
4. Funding will be provided on a reimbursement basis after delivery of the Post-Event Report.
5. The applicant must include all City of Lindale hotels and their phone numbers and websites on information provided to event registrants/vendors/attendees. The hotels must be made aware of the event and have sufficient time to participate in the bidding process for both primary bookings and overflow.
6. Any promotional materials (brochures, website, advertisements) using HOT funds must include the Visit Lindale logo and [www.visitlindale.com](http://www.visitlindale.com) website. Also, any event sponsor signage is required to include the Visit Lindale logo. The Lindale Tourism Office will provide the logo image.



## CERTIFICATION

I have read the City of Lindale's Local Hotel Occupancy Tax (HOT) Guidelines and fully understand the application process. Any funding awarded for the event/project will be used to enhance and promote tourism and must have direct impact on the hotel industry.

I certify that I have authority to request HOT funding on behalf of the aforementioned organization/business, and that all of the information provided on this application is complete and accurate.

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Business/Organization Name

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Applicant's Signature

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Applicant's Printed Name

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Date



## FUNDING APPLICATION

### HOTEL OCCUPANCY TAX ORGANIZATION INFORMATION

Official Name of Organization	Date
Contact Person	Email
Organization Address	Phone:
Website Address	Is your organization non-profit or Private/For Profit For profit
Total Amount Requested	

**Provide us with a brief description of your organizations' mission:**

#### Required Attachments:

- 1) Copy of 501(c) letter from Internal Revenue Service, if applicable
- 2) Tax ID#

## EVENT OR PROJECT INFORMATION

*(please fill out a separate form for each event)*

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Name of Organization

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Fiscal Year of Request

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Name of Event or Project

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Date of Event or Project

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Amount Requested

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Primary Location of Event or Project

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Expected Attendance

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How many years have you held this Event or Program

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Estimated number of people  
Attending the Event or Project:

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Estimated number of hotel room nights generated  
by the Event:

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

Tell us about your event or project.

## EVENT OR PROJECT INFORMATION

*(please fill out a separate form for each event)*

To qualify for financial assistance under the Hotel Occupancy Tax for Lindale, the expenditure must satisfy Part One and at least ONE of the options in Part Two.

**PART ONE** – In order to be eligible to receive HOT Funding you must comply with State Law/Chapter 351 of the Tax Code. Revenues must be used to directly promote tourism and the convention and hotel industry.

How will this event promote tourism and the convention and hotel industry?

**PART TWO** - Check which categories apply to funding request and amount requested under each category:

- **Convention Centers & Visitor Information Centers:** 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.
- **Registration of Convention Delegates:** the furnishing of facilities, personnel, and materials for the registration of convention delegates of registrants.
- **Advertising and Conducting Solicitations and Promotional Programs to Attract Tourists and Convention Delegates:** advertising and conducting solicitations and promotional programs to attract tourists and convention delegates of registrants to the municipality or its vicinity.
- **Promotion of the Arts:** 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.

- **Historical Restoration and Preservation Projects or Activities:** historical restoration and preservation projects or activities of advertising and conducting solicitations and promotional programs to encourage tourist and convention delegates to visit preserved historic sites or museums: (a) at or in the immediate vicinity of convention center facilities of visitor information centers; or (b) located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates.
- **Sporting Event Expenses Related to Sporting Events Which Substantially Increase Economic Activity at Hotels:** for a municipality located in a county with a population of 290,000 or less, expenses, including promotion 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 municipality or its vicinity.

The information contained herein and attached to this application is true and correct to the best of my knowledge. I hereby acknowledge that funding will be received after an invoice has been turned into the City of Lindale with receipts attached. I agree that if funds are not expended accordingly, in the opinion of the City of Lindale, said funds will not be reimbursed.

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Authorized Signature for the Applicant

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Date

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Name Printed or Typed

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Title

**Return this application to:**

City of Lindale  
 Tourism Department  
 55 Miranda Lambert Way, Unit 3  
 Lindale, Texas 75771

Or mail to:  
 City of Lindale  
 Tourism Department  
 55 Miranda Lambert Way, Unit 3  
 Lindale, TX 75771



## PUBLICITY FACT SHEET

Please provide the following information so that your event/activity/facility can be promoted accurately and effectively by the Lindale Tourism Department. Return the completed form to City of Lindale, HOT Funding Application, c/o Tourism Department, 55 Miranda Lambert Way Unit 3, Lindale, TX, 75771.

Name of event/activity/facility: \_\_\_\_\_

Date(s) of event/activity: \_\_\_\_\_

Sponsoring organization: \_\_\_\_\_

Admission charge, if any: \_\_\_\_\_

Group rates, if available: \_\_\_\_\_

Location of event/activity/facility: \_\_\_\_\_

Hours of operation: \_\_\_\_\_

Free/paid parking, availability of parking, availability of motor coach parking, availability of camping: \_\_\_\_\_

Brief publicity description (Please include, in 50 words or less, what you want the public to know about your event/activity/facility):

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Publicity contact person:

**(Return this page with application packet)**

## Budget Project Worksheet

<b>A. Expenditures</b>	<b>a. Applicant's Grant Request</b>	<b>b. Cash from all other sources</b>	<b>c. In-kind (no cash paid for services)</b>	<b>Total of a, b &amp; c</b>
1. Personnel				
Administrative				
Artistic				
Technical				
Other Personnel				
2. Fees for outside professional				
Administrative				
Artistic				
Technical/Other				
3. Space Rental				
4. Equipment Rental				
5. Travel/Transportation				
6. Promotion/Printing				
7. Costumes/Royalties				
8. Other (supplies, postage, etc.)				
<b>9. Totals</b>				
<b>B. Revenues - (For this project only) include in-kind services</b>				
1. This grant request				
2. Admission & ticket sales				
3. Concessions				
4. Individual donations				
5. General funds budgeted				
6. Additional grants				
a. Arts				
b. Chamber				
c. Other				
	<b>Total Income and Contributions</b>			
		<b>Total In-kind</b>		
			<b>Total Revenues</b>	



## POST EVENT REPORT

*This form must be completed and returned to the City of Lindale no later than 30 days following the date of your event*

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

### **Organization Information**

Name of organization: \_\_\_\_\_

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

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

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

### **Event Information**

Name of event or project: \_\_\_\_\_

Date of event or project: \_\_\_\_\_

Location of event: \_\_\_\_\_

Amount of funds requested: \$ \_\_\_\_\_

Amount of funds received: \$ \_\_\_\_\_

Amount of funds spent: \$ \_\_\_\_\_ Amount of funds unused/returned: \$ \_\_\_\_\_

How were funds spent? \_\_\_\_\_

### **Event Funding Information**

Actual percentage of funded event costs covered by hotel occupancy tax: \_\_\_\_\_

Did the event charge admission? \_\_\_\_\_

Was there a net profit from the event? \_\_\_\_\_

If there was a net profit, what was the amount and how is it being used? \_\_\_\_\_

### ***Event Attendance Information***

How many people do you estimate attended the event? \_\_\_\_\_ how many room nights were generated at Lindale hotel? \_\_\_\_\_

If this event was held in the previous 3 years, how many room nights were generated by attendees?

Last Year \_\_\_\_\_

Two Years Ago \_\_\_\_\_

Three Years Ago \_\_\_\_\_

### ***Event Promotion Information***

Note all efforts your organization used to promote this Event and how much was actually spent in each category:

Newspaper \$ \_\_\_\_\_ Radio \$ \_\_\_\_\_ TV \$ \_\_\_\_\_ Other \$ \_\_\_\_\_

Number of press releases to media \_\_\_\_\_ Number direct mailings \_\_\_\_\_

Other promotions \_\_\_\_\_

What new marketing initiatives did you utilize to promote hotel activity for this Event?

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### ***Additional Event Information***

What Lindale businesses did you utilize for food, supplies, materials, printing, etc? \_\_\_\_\_

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### ***Required Attachments***

- Profit/Loss Statement for this Event
- Samples of documents showing all forms of advertising/promotion
- Samples of documents showing how the City of Lindale was recognized in your advertising/promotion
- Actual invoices, receipts, proofs of payment for ALL expenditures for which HOT funds were used in whole or in part

### ***Return to:***

City of Lindale - HOT Funding Post Event Report  
c/o Tourism Department  
55 Miranda Lambert Way, Unit 3  
Lindale, Texas 75771

## Hotel Rooms Booked

Name/URL	Units	Location	Phone
Hampton Inn and Suites		3505 S. Main St.	903-882-1002
La Quinta Inns & Suites		204 W. Centennial	903-882-1600
Motel 6		1-20 & HWY 69S	903-882-7800
Comfort Suites		200 W. Centennial Blvd.	903-882-8613
Best Western Inn		3501 S. Main St.	902-882-8884
America's Best Value Inn		13429 1-20 W. Tyler, TX 75706	902-882-6145
Total Rooms:			

\*The City of Lindale will verify accuracy of rooms booked.

# EXHIBIT A

## MUNICIPAL FUNDING OF THE ARTS USING HOTEL OCCUPANCY TAX REVENUES

Guidelines Presented by Texans for the Arts and the Texas Hotel & Lodging Association

The Texas Hotel & Lodging Association ("THLA") is a nonprofit trade association representing every aspect of the lodging, convention and tourism industry in Texas. Texans for the Arts ("TFA") is a grass-roots nonprofit organization that advocates for public and private funding of the arts as both an enriching cultural resource and a powerful engine for economic growth and development in Texas.

The Municipal Hotel Occupancy Tax Statute (the "MHOT Statute"), Texas Tax Code §351.101, provides that Municipal Hotel Occupancy Tax ("HOT") revenues may be used to fund nine eligible categories of expenditures that have been found to promote tourism and the hotel and convention industries, including expenditures that promote specific art forms. Section §351.101(a)(4), added by the Legislature in 1977, provides in applicable part: "Revenue from the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:

"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."

THLA and TFA have formed a partnership to assist local governments in implementing the MHOT Statute.

In order to comply with the MHOT Statute, THLA and TFA agree that to be eligible for municipal arts funding with HOT revenues, recipients must satisfy the following requirements:

1. The recipient presents, performs, promotes, encourages or otherwise makes possible, artistic events, cultural performances, programs, exhibitions or lectures involving the major art forms listed in the MHOT, or "other arts related to the presentation, performance, execution and exhibition of these major art forms."
2. The hotel occupancy tax funded programs and events are advertised and open to the general public.

3. The recipient directly enhances and promotes tourism and the convention and hotel industry.

With regard to requirement No.3 above, THLA and TFA agree that the MHOT Statute does not require a recipient to demonstrate a set level of direct impact on tourism and the convention and hotel industry to be eligible for HOT funding. However, the demonstration of some level of direct impact on tourism and the convention and hotel industry should be required. Because the MHOT provides no specific methodology for determining a recipient's impact on tourism or the convention/hotel industry, each funding entity has the flexibility to consider a number of factors. The following factors may be beneficial to consider but this list is neither exhaustive nor mandatory. Cities and counties using hotel occupancy tax may consider any or all the below listed factors or other factors that are appropriate for determining a recipient's impact on tourism and the convention and/or hotel industry in a particular community:

- a) The recipient works with its area lodging operators and/or the convention and visitor's bureau (CVB), either independently or in conjunction with other local arts organizations, to promote local arts events through hotel concierge services, training of hotel staff, hotel or CVB lobby area exhibitions, flyers or similar measures to better serve visitors to the area and encourage their extended stay in area hotels or a return to stay in area lodging facilities.
- b) The recipient provides entertainment to conventions, conferences and meetings offered in their cities and towns at which attendees are drawn from both in and out of the region.
- c) The recipient uses local hotel and lodging facilities for galas, meetings or other events sponsored by the recipient, including the use of hotel dining facilities by their patrons both pre and post events.
- d) The recipient books hotel rooms for visiting artists and offers hotel related information to attendees of the organization's hotel occupancy tax funded events.
- e) The recipient promotes or markets its events outside of the local area through standard media promotion or advertising, websites, mailing lists, local, regional and national listings in publications and calendars and use of social media where appropriate includes a link to information about area hotels.
- f) The recipient produces its events in conjunction with or within the boundaries of a Cultural and Fine Arts District established pursuant to Texas Government Code § 444.031.

- g) The recipient, either through audience or attendee questionnaires, polling, or hotel block booking codes, demonstrates that hotel guests, tourists, convention attendees or other out-of-town visitors have attended its hotel tax funded events.
- h) A performance, exhibition or other event sponsored by the hotel occupancy tax recipient has been reviewed or otherwise noted in a publication that circulates outside of the recipient's local community, which helps promote tourism and hotel activity in the area.

THLA and TFA share the goals of growing and advancing tourism and the convention and hotel industry through the promotion of the arts and the encouragement of attendance at artistic and cultural events by persons outside of the local community. To this end, THLA and TFA are in the process of creating joint programs that will make convention and hotel industry resources available for marketing local artistic and cultural events to hotel guests and attendees prior to and during their visits to the local area. Similarly, local artistic and cultural event hosts will endeavor to partner with the area hotel and lodging industry and the convention and visitor bureau to enhance the potential impact of their hotel tax funded arts programs on tourism and area hotel activity.

THLA and TFA have provided these guidelines to members, arts organizations and HOT funding entities in order to foster understanding of the MHOT Statute and to stimulate collaboration between the local arts communities and the hotel and tourism industries. THLA and TFA will continue working together to nurture mutual cooperation and understanding among all partners invested in art, culture and tourism.