

**CITY OF CARLSBAD LODGERS TAX ADVISORY BOARD
INFORMATION AND PROCEDURES
FOR LODGERS TAX FUNDING ASSISTANCE
FOR SPECIAL EVENTS
OR
OTHER NON CONTRACTED USES**

1. All proceeds must be expended in accordance with the Lodgers Tax Act. Subject to the limitations contained in Section 3-38-15 NMSA 1978, a municipality or county imposing an occupancy tax may use the proceeds from the tax to defray costs of:

D. advertising, publicizing, and promoting tourist-related attractions, facilities and events of the municipality or county and tourist facilities of attractions within the area.

2. Definitions as used in the Lodgers Tax Act (Section 3-38-14):

“gross taxable rent” means the total amount of rent paid for lodging, not including the state gross receipts tax or local sales taxes;

“tourist” means a person who travels for the purpose of business, pleasure or culture to a municipality or county imposing an occupancy tax;

“tourist-related events” means events that are planned for, promoted to and attended by tourists;

“tourist-related facilities and attractions” means facilities and attractions that are intended to be used by or visited by tourist;

3. The awarded amounts are dependent upon the funding available, the number of applicants, and a review of each applicant’s tourism impact.

Available funds - The City of Carlsbad collects an Occupancy Tax of 5% on “gross taxable rent” from each hotel, motel, motor court, trailer court or other premises used for lodging of tourists. The amount of available funds will depend on the number of tourist who have/will require lodging accommodations within the City of Carlsbad. The amount of funds is budgeted with the fiscal year budget process and citizen advice is provided by the Lodgers Tax Advisory Board (LTAB). The City’s fiscal year begins in July and ends in the following June.

The City of Carlsbad currently has contracted agreements, using Lodgers Tax funds, with; the Carlsbad Chamber of Commerce for management for the Pecos River Village Conference Center as well as the Operation of the Walter Gerrell’s Performing Arts Centre.

Number of applicants – The City of Carlsbad receives several applicants annually requesting Lodgers Tax funds for special event advertising as well as other proposed uses.

Applicant’s tourism impact – Section E (Provide available survey information from past events) is very helpful in determining the tourism impact. For a first time applicant, provide as much information on how your event is expected to bring tourism to Carlsbad (Hotel/motel nights generated from the event, etc.).

4. The applicant may be required to fund a percentage of the total eligible costs requested in the grant.
5. After the granted funds have been expended, each applicant must provide documentation (tear sheets, invoices, copies of cancelled checks, etc.) supporting the expenditures of funds for eligible purposes. Reimbursement of expenses will not be approved and awarded without proper documentation. This may result in rendering an applicant ineligible for funding the following year.
6. The applicant must agree to use the phrase “sponsored in part by the City of Carlsbad Lodgers Tax Fund” (either verbally or in print depending on the type of advertising media) on all advertising.
7. Applicants for Lodgers Tax Funds must submit applications no later than one week prior to any scheduled LTAB meeting. The LTAB meets the third Wednesday of every quarter, starting in January each year, at 4:00 pm. These meetings may be subject to change. An April meeting will include a budget planning session to recommend an amount of funds to be made available for application in the next fiscal year.
8. Applicants are required to attend the next scheduled meeting of the LTAB and make a five to ten minute (maximum) presentation at which time their application is reviewed. Board members may ask questions and discuss the application and all aspects of the event. The LTAB meetings are conducted in compliance with the New Mexico Open meetings Act.
9. If the applicant’s request is approved by the LTAB, the recommendation for funding is submitted to the City Council. The applicant is encouraged to attend that meeting, in the event any questions need to be addressed.
10. Once the application has been approved by the Council, a signed approved copy of the Council minutes are submitted to Accounts Payable for process. Accounts Payable checks are processed every Monday (unless Monday is a holiday). Please allow fourteen (14) days for the completed process. Requests for reimbursement will be accepted after July first.
11. Please be able to answer the following questions:
 - a. Will the event or use of funds bring people from out of town?
 - b. Will the out of town people stay at motels, hotels, motor or trailer courts or other lodging facilities?
 - c. Will people be eating at Carlsbad restaurants?
 - d. Will people frequent other stores, sites or attractions in Carlsbad?