

**CITY OF CARLSBAD LODGERS TAX ADVISORY BOARD  
INFORMATION AND PROCEDURES  
FOR LODGERS TAX FUNDING ASSISTANCE  
FOR SPECIAL EVENTS  
OR  
OTHER NON CONTRACTED  
PROMOTIONAL 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 country 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 of the Pecos River Village Conference.

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 by noon, ten (10) working days prior to any scheduled LTAB meeting. The LTAB meets monthly. Time, date, and place for these meetings may be subject to change, and will be posted on the City Website. There will be an annual budgetary meeting, scheduled for early in the calendar year. The purpose of this meeting is to prepare for the upcoming fiscal year budget cycle. Although new requests will be considered, the primary purpose of this meeting is to provide the Budget Committee with reoccurring requests.
8. City Staff assigned to the LTAB shall review all applications and may provide input for consideration by the LTAB to be used for their decision making process.
9. 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.
  - a) Please be prepared to answer the following questions:
  - b) Will the event or use of funds bring people from out of town?
  - c) Will the out of town people stay at motels, hotels, motor or trailer courts or other lodging facilities?
  - d) Will people be eating at Carlsbad restaurants?
  - e) Will people frequent other stores, sites or attractions in Carlsbad?
10. If the applicant's request is approved by the LTAB, the recommendation for funding is submitted to the Budget Committee for their approval. Once the Budget Committee approves the request it goes to City Council for approval. Once the request is approved by City Council the budget adjustment is submitted to the State Department of Finance for their approval. This entire process can take two months to complete. All applicants are encouraged to keep this time frame in mind when making their requests. The LTAB meeting in April each year is typically when requests are made for the following fiscal year. Applicants that annually request funding are encouraged to plan ahead and submit requests at this meeting.
11. All reimbursement requests must be submitted to Accounts Payable for processing. Please ensure all appropriate documents are submitted with the reimbursement request packet. Allow 14 days for reimbursement checks to be issued.

# CITY OF CARLSBAD LODGERS TAX GRANT PROPOSAL PROMOTIONAL PROJECT

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Each Section below must be completed.  
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**Project Title:** \_\_\_\_\_

**Brief Project Narrative:**

**Applicant:** \_\_\_\_\_

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

**City, State, ZIP:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_ **Phone:** \_\_\_\_\_

**E-mail:** \_\_\_\_\_ (optional)

\_\_\_\_\_  
(Signature of Authorizing Official) **Title:** \_\_\_\_\_

**Date Application Submitted:** \_\_\_\_\_

**Project Start Date:** \_\_\_\_\_ **Project Completion Date:** \_\_\_\_\_

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**Proposed Total Budget for Applicant:** \$ \_\_\_\_\_

**Proposed Sponsor/Partner Donations:** \$ \_\_\_\_\_

**Proposed Amount of Eligible Expenses:** \$ \_\_\_\_\_  
\*Eligible Expenses must match total budget listed in Section D.

## **INSTRUCTIONS FOR THE COOPERATIVE ADVERTISING OR OTHER PROPOSED USE APPLICATION PACKAGE**

Please prepare your application according to the following instruction. Please be concise and to the point with all your responses. Please try to limit your responses to the space provided and type responses if possible.

### **A. BRIEF PROJECT NARRATIVE –**

### **B. BRIEF SUMMARY OF THE APPLICANT'S MARKETING PLAN –**

**C. ADDITIONAL INFORMATION REQUIRED – Please Provide information specific to each question**

1. List of your event, activity or project's objective(s).

2. List of your target markets with description of method and type of promotion and media placements.

3. How do you intend to survey event or activity participants to determine economic impact in regards to Lodgers Tax and Gross Receipts Tax?

4. How does this event advertise and promote the City of Carlsbad as a destination resulting in overnight stays in local lodging facilities as well as promoting use of other tourist business, i.e. restaurants, attractions etc.?

5. Describe your plans for future Lodgers Tax promotion which will continue the quality and continuity of the event or other proposed use of funds. (If Applicable)

6. Do you have any other partnerships and or sponsors in this effort and have received any other type of funding from private, corporate and/or state grants? Successful projects and events often have multiple funding sources. If yes, please list name & amount below.

	\$
	\$
	\$
	\$
<b>TOTAL SPONSOR/PARTNERSHIP DONATIONS</b>	\$

**D. COOPERATIVE ADVERTISING PROJECT BUDGET, including eligible costs only –**

(Please attach copy of budget or financial statements of project if available) (Use additional pages if necessary)

**Newspaper (List):**

Local – (\$1,000 Max Guideline)	_____	\$
Out-of-Town	_____	\$
	_____	\$
	_____	\$

**Magazines (List):**

_____	\$
_____	\$
_____	\$

**Postage or Mailings:**

Out of Town ONLY	_____	\$
	_____	\$

**Cost of Posters Used:**

Local – (\$500 Max Guideline)	_____	\$
Out-of-Town (List):	_____	\$
	_____	\$
	_____	\$
	_____	\$

**Radio (List):**

Local – (\$1,000 Max Guideline)	_____	\$
Out-of-Town (List):	_____	\$
	_____	\$
	_____	\$
	_____	\$

**Television (List):**

Out of Town ONLY	_____	\$
	_____	\$

**Other (List):**

_____	\$
_____	\$

**TOTAL REQUEST** \$

**E. PROVIDE ANY AVAILABLE SURVEY INFORMATION FROM PAST EVENTS OR OTHER USES –**

**F. COMPLETE THE FOLLOWING CHECKLIST PRIOR TO THE SUBMISSION OF YOUR APPLICATION**

- 1. Application Completed? \_\_\_\_\_
- 2. Summary of Marketing Plan? \_\_\_\_\_
- 3. Project Description? \_\_\_\_\_
- 4. Copy of Budget Included\*? \_\_\_\_\_
- 5. Survey Results? \_\_\_\_\_
- 6. Signed Copy of Application? \_\_\_\_\_

\* Be sure to clearly list amounts dedicated to advertising and promotion.

Any questions regarding this application should be directed to Municipal Services, at 887-1191 Ext 7963

Applicant should plan to attend the Lodger’s Tax Advisory Board Meeting when the application is scheduled to be considered. The Applicant or Representative will be asked to briefly present the application and answer any questions pertaining to the project. FAILURE TO APPEAR MAY RESULT IN DENIAL OF THE REQUEST.

Upon approval by Lodger’s Tax Advisory Board (Step 1), applications will go through the following steps for additional approvals before funds will be available for expenditure:

- Step 2: Budget Committee – convenes the 4<sup>th</sup> Friday of the Month
- Step 3: City Council – convenes the 2<sup>nd</sup> and 4<sup>th</sup> Tuesday of the Month (except in November & December)
- Step 4: Once approved through City Council a budget adjustment is then submitted to New Mexico Department of Finance & Administration for final approval.

Please note: Approval process can take up to 6 – 8 weeks before funds are made available for expenditure.

Reimbursement will only be awarded after submittal of the proper documentation (tear sheets, invoices, copies of cancelled checks, etc.) that funds have been expended in accordance with this agreement. Reimbursement requests shall be submitted to the Finance Department.