



TN

Department of
Tourist Development

Hotel/Motel Tax Annual Reporting

FY26 Process and Submission Form

Tennessee Department of Tourist Development | June 2026



Executive Summary

Pursuant to Tennessee Code Annotated § 67-4-1403(c), all municipalities that levy a hotel/motel (i.e. occupancy) tax, whether authorized by statute, private act, ordinance, or resolution, are required to submit an annual written report to the Tennessee Department of Tourist Development within ninety (90) days following the end of the municipality's fiscal year.

Due Date

"Not later than ninety (90) days after the end of a municipality's fiscal year" - Tenn. Code Ann. § 67-4-1403

Reporting Period

Report covers revenues and expenditures from most recent fiscal year.

Purpose

To fulfill requirements of Tenn. Code Ann. § 67-4-1403. Specifically, to understand how expenditures, when applicable, have been designated and used for tourism promotion and tourism development pursuant to this part.

How to Submit the Report

Use this link below to access and complete the online form:

https://stateoftennessee.formstack.com/forms/fy26_annual_hotel_motel_tax_reporting

Please contact ttdt.research@tn.gov for questions about completing this form, technical issues, or to request special accommodations.

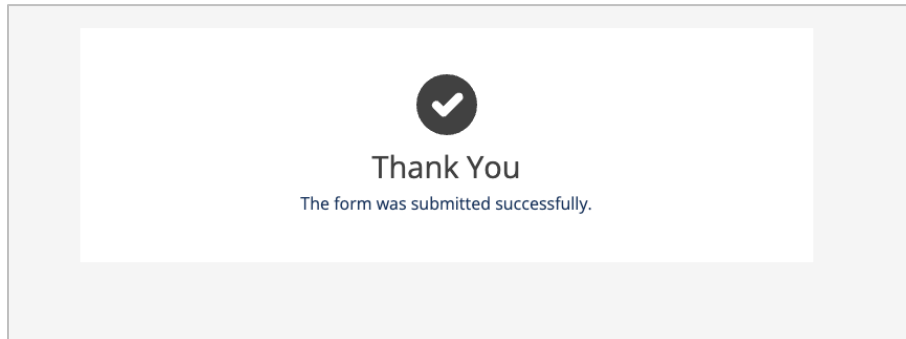
Important Notes

- An example list of the form questions is included at the end of this document.
- The form (accessed through link above) is interactive. Some fields in the form will hide/disappear based on how questions are answered and whether such questions apply based on the effective date of the hotel/motel tax.
- All required questions must be completed before the form can be submitted.
- The form will reset to blank if the user closes or refreshes the window.
- Submitter should have all necessary materials gathered prior to starting the form.

FAQs

How will the submitter know if the form submission was successful?

After clicking the “Submit Form” button, a confirmation page will load with the following message:



Do all counties and cities need to complete the form?

Every municipality that enacts a hotel/motel tax through Tenn. Code Ann. § 67-4-1401 et. seq. must complete the form. The form will guide the submitter through a series of questions. The way those questions are answered will dictate how much of the form will need completion.

Municipality is defined as an incorporated city or town or a county but specifically excludes counties with a metropolitan form of government.

What are the requirements for occupancy tax expenditures?

The answer to this question depends on the date in which the tax was enacted.

- If prior to July 1, 2021, the way in which funds must be used depends on what was outlined in the enabling private act, resolution, or ordinance.
- If enacted between July 1, 2021, and May 1, 2025, the funds must be used for
 - o "Tourism" means attracting nonresidents to visit a particular municipality and encouraging those nonresidents to spend money in the municipality, which includes travel related to both leisure and business activities;
 - o "Tourism development" means the acquisition and construction of, and financing and retirement of debt for, facilities related to tourism;
- If enacted after May 1, 2025, the funds must be used in accordance with Public Chapter 372 signed into law on May 5, 2025.
 - o Link: <https://publications.tnsosfiles.com/acts/114/pub/pc0372.pdf>

Which expenditures should be itemized on the report?

- Expenditures made by the city or county using hotel/motel tax dollars (when applicable) should be itemized if they exceed the lesser of five (5) percent of annual collections or \$25,000.
 - o Threshold was established to narrow reporting to expenditures of material impact. The goal is to reduce the reporting burden on municipalities.
- Funds transferred or designated from the municipality to an external destination marketing organization (DMO), for the purpose of tourism promotion or tourism development, need not include further itemizations for how those organizations utilized the funds.
 - o A municipality designating hotel/motel taxes to a tourism destination marketing organization for the purpose of tourism promotion or tourism development is an acceptable use of the funds.
 - o Examples of such DMOs:
 - Chambers of Commerce
 - Tourism Boards
 - Convention and Visitors Bureaus

What happens if a municipality spends occupancy tax revenue improperly?

Under Tenn. Code Ann. § 67-4-1403(d), if an audit finds that funds were expended on unauthorized purposes, the municipality must appropriate an equivalent amount from its general fund during the following fiscal year to be used exclusively for tourism promotion and tourism development.

What happens if a municipality makes an audit adjustment to revenues or expenditures after submitting the form?

Please reach out to TDTD.Research@tn.gov so a team member can assist with reflecting that adjustment in the data.

Example List of Form Questions

There may be instances where answers to certain questions might come from several different individuals working for or with the entity. In such cases, it might be helpful to print a copy of the form so that answers to questions can be compiled before beginning the form submission process. Unfortunately, the digital form is not printer-friendly.

To assist with this situation, below is a full list of the questions included in the digital form. **The form should be completed using the website link shared on page 1.** The form will not allow for saving and returning to the document later. The submitter should come prepared to answer all questions prior to starting the digital form submission process.

- Entity (City/County) Name
- Does the Entity levy a Hotel/Motel (Occupancy tax)? Y/N
- What is the Entity's local Hotel/Motel (A.K.A Occupancy tax) rate (%)?
- (If City) Does the Entity's city Hotel/Motel (Occupancy tax) rate stack on top of the county rate? Y/N
- Does the Entity receive a distribution of Hotel/Motel (Occupancy tax) taxes from another Entity? (Note: this is a rare situation.) Y/N
- Total amount of revenue received from Hotel/Motel tax in FY26 (\$)
- Did the Entity's Hotel/Motel or Occupancy rate or enacting legislation change during the fiscal year? Y/N
- What year did the Entity originally pass legislation to levy a Hotel/Motel tax? (year)
- Has the Entity's enacting legislation that authorizes the levy of the tax been amended or altered at any time? Y/N

- (If amended) What was the most recent year of the amendment or alteration? (year)
- Please upload all versions, including original and amended if applicable, of the enacting legislation (private act, resolution, or ordinance) that authorizes the levy of the tax. Please also include any documentation related to the allocation of those taxes. (Document upload – PDF, Word, etc.)
- Was the FY26 tax rate in effect prior to July 1, 2021? Y/N
- How does the enacting legislation define "hotel"? (text box)
- How does the enacting legislation say the proceeds will be utilized? (text box)
- Was the FY26 tax rate in effect prior to May 1, 2025? Y/N
- Is the Entity required to spend any portion of tax on tourism or tourism-related activities? Y/N
- Did the Entity choose to spend any portion of Hotel/Motel tax on tourism or tourism-related activities despite not being required? Y/N
- Did the Entity expend any portion of the tax collections in FY26? Y/N
 - (If no) Please explain why hotel/motel tax funds were not expended in FY26.
- (If Applicable) FY26 Tourism Expenditure by Category* - List the \$ expended and grouped into one of the available categories
 - Funding Transferred or Provided to Destination Marketing/Promotion Partner for Tourism Specifically (ex: Chamber, Visitors Bureau, Tourism Office)
 - Tourism Related Activities (full/part-time staff, advertising, marketing, digital campaigns, etc.)
 - Tourism Development Activities (event hosting, partnerships, etc.)
 - Tourism Development Capital Expenditures
 - Tourism Development Debt Service
 - Other Tourism Expenditures
 - Please explain
- (If applicable) Restricted Fund Amount – Beginning of Fiscal Year (\$)
- (If applicable) Restricted Fund Amount – End of Fiscal Year (\$)
- (If applicable) Did any expenditures exceed the lesser of 5% of annual collections or \$25,000? Y/N
 - (If applicable) List and describe these expenditures – Type, Vendor, Description, Amount (\$)
 - If more than ten expenditure entrees are needed, a spreadsheet upload function is available in the form.