

CALIFORNIA OFFICE OF TOURISM

Tourism Assessment Form Instructions 2009/10

General Information

The 1995 Tourism Marketing Act, California Government Code section 13995 et seq., mandates that you complete and return the Tourism Assessment Form. File a separate Tourism Assessment Form for each business location (i.e., street address).

Penalties: A late fee of 10% per annum will be assessed on late payments. Any business that fails to provide information necessary to determine its assessment shall be assessed at the segment maximum (GC 13995.69). Any person who files false information concerning an assessment is civilly liable for a maximum amount of ten thousand dollars (\$10,000), in addition to any amount owed as an assessment. (GC 13995.81)

Additional information regarding the Tourism Assessment Program is available on the Web site at www.visitcalifornia.com/assessment.

Instructions for Completion of the Tourism Assessment Form

Section I. Business Location

The name and address relates to the physical location of the business at which revenue is generated. This section is preprinted from the information in our database. Tourism ID numbers are assigned by the Office of Tourism. Therefore, when filing for a new location, please check the box "New Business Location" on the form.

Enter the contact person that should receive all the documents and forms regarding the Tourism Assessment Form. The contact person does not need to be the same person who signs the form. Verify that the information is correct and make corrections as needed.

The industry code should identify the type of business at the above-identified physical location. See "Industry Categories/Segments" listing.

Section II. Parent or Billing Information

This section is for a business that has a mailing address that differs from the physical location, i.e. a Post Office Box, or a parent company with a different mailing address. This Billing ID# (BIL ID#) will be used for mailing purposes only and will not be assessed. This section is preprinted if the information is in our database. Verify that the information is correct. The BIL ID# is assigned by the Office of Tourism.

Section III. Ownership Changes

Indicate any changes made to the business during the past twelve months, including change in ownership, name change or business closure. Include the new names, owners and addresses. The previous owner is responsible for reporting figures *up to* the date the business changed ownership, and the new owner is responsible for reporting figures *as of* the date ownership was assumed.

Section IV. Assessment Calculation

The assessment is based on the last twelve months of California gross income for your business. The current assessment rate for all revenue is .00065 of the travel and tourism revenue. All businesses shall complete this section.

The percentage of revenue that is derived from travel and tourism to and/or within California can be attained through your own market analysis reports, marketing surveys, area tourism averages or on-site surveys.

Businesses in the Accommodations Industry should consider that all revenue from overnight stays less than 31 consecutive days is considered assessable. Refer to "Key Definitions, Travel and Tourism Revenue."

Section V. Determination of Exempt Status

The statute provides that certain types of businesses are exempt from the program. The intent is to send forms to businesses that benefit from travel and tourism. However, there is a possibility your business may be exempt. If your business qualifies for exemption, check the appropriate box.

Please note: Nonprofit organizations are not exempt unless they meet one of the exemption criteria.

Section VI. Optional Payment of Maximum Assessment

This section allows a business the option to pay the assessment maximum of \$250,000. If the company chooses this option, it is not required to complete Section IV.

Section VII. Certification

The person authorized to sign on behalf of the company shall complete the certification. Examples of authorized representatives include sole proprietors, corporate officers, general partners and fiduciaries.

Section VIII. Optional: Marketing Material

The California Travel and Tourism Commission (“CTTC”) prepares and distributes marketing material to the industry, assessed businesses and interested parties. This material will keep your business informed on CTTC’s ongoing promotion of California.

Key Definitions

Business – An individual (sole proprietor), partnership, fiduciary, corporation, association, limited liability company (LLC), or any other business organization, whether operating on a profit or nonprofit basis.

Business Location – The street address where travel and tourism revenues are generated by a business. A Tourism Assessment Form must be filed for each business location.

California Gross Receipts – Gross receipts, less returns and allowances, from sales in California. For example:

- FTB Form 100, California Corporation Franchise or Income Tax Return, Schedule F, line 1(c).
- FTB Form R, Apportionment and Allocation of Income, Schedule R-1, line 3, column (b).

For travel agencies, income from commissions and fees from sales of travel to places within CA.

Industry Categories/Segments – There are five Industry Categories: A) Accommodations, B) Restaurants and Retail, C) Attractions and Recreation, D) Transportation and Travel Services, and E) Passenger Car Rental. Industry Segments are subsets of these five Industry Categories and are subject to assessment. Businesses benefiting from travel and tourism should list the Industry Segment which generates the most travel and tourism revenue. (Note: Passenger Car Rental companies are subject to different rules and should file Passenger Car Rental Industry Form OT-100.)

Travel and Tourism Revenue – California gross receipts derived from expenditures to and/or within California by people who (1) travel at least 50 miles from home, one way, for purposes other than commuting to work or school; or (2) have an overnight accommodation as part of the travel, regardless of the distance or purpose traveled. “Home” as used in the definition of travel and tourism revenue means the place where the person has resided for the most recent 31 consecutive days.