

Transient Lodging Tax Proposal

I propose to put on the ballot a 10% county-wide room tax **that also applies to all the cities** as well as the unincorporated portion of the county. Tillamook County passed a similar tax, and it brought in \$2.3 million in 2014.

Here is how it would work: If a city already has a 7% TLT, and the County TLT is 10%, we would give the city a 7% “credit” back to them so they continue to receive their 7% so it does not impact them in any way. We only collect the 3% difference. The City continues to collect their 7% just the way they always do. The County then gets the 3% up to a total of 10%. Throughout the county and across all jurisdictions the TLT tax is exactly the same at 10%. No matter where you stay inside a city or outside a city, the county tax is 10% except for the statewide 1% tax.

There is a statewide 1% tax instituted by the State of Oregon that goes to Travel Oregon. So if the county tax is 10%, then you add in the 1% statewide tax, the tax is 11%.

By law, 70% must be spent on tourism promotion, tourism advertising and tourist related facilities. The other 30% can be used for whatever the county wishes. The BOC could choose to put the 30% into county road maintenance or public safety. Either of these services are heavily used and relied upon by tourists that come to the area.

We will need to consider hiring a TLT Staff person (paid by TLT) in the county that collects the tax, monitors for compliance, tracks the TLT and distributes the funds to the Treasurer. Also, through the years we have frequently had concerns that the Port of Coos Bay and the VCB (funded by Coos Bay, North Bend, and the Coquille Tribe) promote tourism in Charleston. I think it would be beneficial, if this passes, to work out an agreement with the current VCB members to partially fund the VCB. The number shown below applies if we followed their current formula.

Current Lodging Taxes in Coos County:

Bandon	6%	North Bend	7%
Coos Bay	7%	Lakeside	7.5%

Total projected TLT to Coos County \$3,857,120 – \$1,134,399 (city credits) = **\$2,722,721**

70% to Tourism: \$1,905,905 (2/7 to VCB for funding = \$544,544)

30% to General Fund: \$816,816

Next step would be to place this proposal on a County wide ballot.