

Analyst: Steve Stevens Subject: Hotel Occupancy Tax TAX/HOTEL OCCUPANCY OR +\$55,150 LF RV See Note Page 1 of 1

Authorizes the city of Baker to levy a hotel occupancy tax

Purpose of Bill: This bill allows the City of Baker to levy a hotel occupancy tax not to exceed 5%. The tax proceeds are required to be used to fund parks and recreation programs within the City of Baker.

This measure also provides that the tax be approved by the voters of the City, and imposed by a City ordinance.

| EXPENDITURES | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>5 -YEAR TOTAL</u> |
|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$27,575</u> | <u>\$55,150</u> | <u>\$55,150</u> | <u>\$55,150</u> | <u>\$55,150</u> | <u>\$248,175</u> |
| Annual Total | \$27,575 | \$55,150 | \$55,150 | \$55,150 | \$55,150 | \$248,175 |
| REVENUES | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | 5 -YEAR TOTAL |
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$27,575</u> | <u>\$55,150</u> | <u>\$55,150</u> | <u>\$55,150</u> | <u>\$55,150</u> | <u>\$248,175</u> |
| Annual Total | \$27,575 | \$55,150 | \$55,150 | \$55,150 | \$55,150 | \$248,175 |

EXPENDITURE EXPLANATION

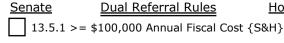
This bill may increase local governmental expenditures by approximately \$27,575 in fiscal year 2015-16 and \$55,150 annually thereafter.

This bill mandates that the City use the new tax proceeds for specific purposes. Based on information obtained from a City official, it appears that Baker's expenditures may increase by \$27,575 for fiscal 2015-16. This expenditure includes costs related to the purposes provided for in the bill and an election cost of \$1,400 if the tax is placed on the October 24, 2015 ballot.

Expenditures may increase by approximately \$55,150 in the following years as Baker funds parks and recreational programs within the City.

REVENUE EXPLANATION This bill may increase local governmental revenues by approximately \$27,575 in fiscal year 2015-16 and \$55,150 annually thereafter.

An official with the City indicated this new tax may generate \$27,575 in fiscal year 2015-16 and \$55,150 annually thereafter.



Dual Referral Rules

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee

<u>House</u>

Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

G. Battle

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