

Submitter: Chris Walson

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure, Appointment or Topic: HB4134

I am writing today regarding my great concern over the redirection of lodging tax money from supporting tourism (HB 4134) and the proposed increase in statewide lodging tax.

My family has been operating a vacation rental business for almost 20 years. Currently, lodging tax along the coast averages 13.5% and could now increase to 15%. That is \$15 for every \$100 spent by a guest for lodging. Guests are specifically saying they can't afford to travel because of how expensive it is.

Each time lodging tax increases, we are forced to lower our nightly rates as guests cannot afford to pay more to visit the coast. When a family has a budget of \$400 to spend for a stay, it doesn't matter to them who the \$400 is paid too, just that the total cost is within their budget.

Thus, every increase in lodging tax makes providing lodging much more difficult as there is less rent to cover the costs of operating the homes. Currently, maintenance is already being delayed because of big increases in property taxes and operating costs (utility costs are through the roof!).

If we now lose the promotional aspect that lodging tax is supposed to help with, we face a doom cycle of little promotion for tourism and out of control costs. This will kill our business and businesses like dining and retail that rely on guests to stay in our community.

Please, help our business stay afloat and vote against increasing the lodging tax and taking money away from tourism.