TRANSIENT OCCUPANCY TAX

The Lodging Tax

WHAT DOES TOT MEAN?

- TRANSIENT: Someone who doesn't live here permanently (usually a tourist or business visitor).
- OCCUPANCY: Staying at a professionally run lodging property like a hotel, motel, B&B or other short term rental.
- TAX: A mandatory financial assessment.

A visitor staying at a city lodging property is assessed a tax that goes to the city to pay for important, needed services.

IMPORTANT POINTS TO CONSIDER

Q: Does the TOT cost local residents?

A: NO. Locals do not get taxed by TOT (unless they stay in a professionally run, lodging properties located within the City).

Q: Does the TOT cost local businesses?

A: NO. This tax is considered a pass-through tax because it doesn't tax local residents or businesses. Only the visitor staying at the lodging property pays the tax.

IMPORTANT POINTS TO CONSIDER

Q: Does a higher TOT rate deter visitors?

A: NO. When the City's TOT rate was raised from 8% to 10%, occupancy rates increased, and there is zero evidence to suggest that a higher TOT rate will deter visitors from coming to the City of Sonora.

Q: How common is a TOT tax?

A: Every county / municipality in the state charges a TOT tax.

IMPORTANT POINTS TO CONSIDER

Q: Does a TOT increase benefit local residents?

A: YES. Local residents benefit from better roads, shorter response times for police & fire departments, plus increased employment, leisure, and recreational opportunities from a thriving tourism economy.

Q: Does a TOT increase benefit local businesses?

A: YES. In addition to the other benefits listed above, businesses also benefit from increased foot traffic and increased tourism and destination marketing services from 'Visit Tuolumne County' who receive 25% of the Cities TOT tax.

WHERE DOES THE TOT GO?

- **75% of the TOT goes towards mitigating the impact of tourism on the city in the form of increased demand on roads and emergency services.**
- **The 25% remaining is reinvested into marketing the city through the Visit Tuolumne County visitor bureau to bring in more visitors, generating more tourism dollars to support the tourism industry and increasing the City's TOT revenue.**

visit TUOLUMNE county

FINANCIAL IMPACT TO VISIT TUOLUMNE COUNTY

An increase in TOT from 10% to 12% would add in excess of $20,00 to the Visitors Bureau's Budget.

4 A quarter of the TOT would be invested back into Visit Tuolumne County's marketing to continue generating economic growth, benefitting the entire City and County.

1 The proposed increase would increase Visit Tuolumne County's current funding, allowing for further investment in successful marketing initiatives to benefit local, small businesses.

3 Increased marketing would generate more TOT to pay for the Police Department and other City services.

2 Increased marketing investment would increase lodging occupancy, bring in more TOT, & grow the City's tourism economy.