

# Coastal Transient Room Tax Info Sheet by Keith Stanton October 2012

## Per Oregon Revised Statute

320.305 Rate of tax; provider reimbursement.

- (1) A tax of one percent is imposed on any consideration rendered for the sale, service or furnishing of transient lodging.
- (2) ... lodging provider shall withhold five percent of the amount the provider collects ... for the cost of tax collection ...

## Per Lane Code

4.110 Tax Imposed.

(1) ... occupancy in any hotel or recreational vehicle park, ... after January 1, 1974, each transient shall pay a tax ... of five percent (5%) ... *{originally 1974 applied to only lodging then in 1994 expanded to include RV and campgrounds}*

(2) ... after February 1, 1993, ... additional tax ... of three percent (3%) ... After providing for the cost of administration, ... County's annual bonds' service payment for the Fairground bonds ... , shall be used for enhancement of the visitor industry ...

*LATER PDF IT SHOWS THIS 3% TO BE APPLIED PER ORS IN 2001 TO STOP TRT ABUSE:*

*70% - marketing visitor industry*

*10% each - museums, administration/projects, and to those outside urban growth boundaries*

(a) ... within the area known as Lane County Road Maintenance Zone 5 (SCO area), ... additional tax ... of two percent (2%) ... *{a bit confusing - seems in 1994 that West Lane District was excluded from a 2% addition then was added in 2008 to be like rest of LC}*

(4) ... credit against the payment of such tax the amount due any incorporated city or town within Lane County ... not to exceed three percent (3%)... *{eg. in Florence: 1% to Oregon, 1% to Florence, + 8% to Lane that sends 3% to Florence = 10%}*

4.111 Local Revenue Sharing. ... Board shall ... share with the incorporated cities ... upon their request, a portion of the taxes collected ... within each ... not to exceed sixty percent (60%) ... less collection and other administrative costs ...

4.170 Collection Fee. Every operator liable for the collection ... may withhold five percent of the net tax due to cover the operator's expenses ... *{net from collection goes to City of Eugene who are TRT Administrator and takes additional 1% plus audit costs}*

## Per Florence Code

3-7-2: Levy: Each transient shall pay a tax of four percent (4%) of the rent ... occupancy in a hotel or RV park.

3-7-14: Collection Fee: An operator ... may withhold 5 percent (5%) of the net tax due to cover collection expense ...

## In two pdf presentations they report history of:

1974 established at 5%

2% of this is for debt service (FEC being paid 190K/yr out of this to end 2.6M bond 2013/2014?)

3% of it is for cities

1986 Added 1% for tourism

1992 Added 2% and County assumes role as primary contractor for tourism promotion (CVALCO -> TLC dba ECC)

1994 TRT applied to RV parks and campgrounds *{CVALCO replaced by Travel Lane County dba Eugene, Cascades, + Coast}*  
around this time, a major bond for the Fairgrounds ended so Florence asked now unencumbered funds for FEC  
Reduced 2% those in West Lane District and pledged 200K/yr for 20 years for a bond to help build the FEC

1995 approved use of 2+3+1+2 (8%) after bond service for the year to meet County expenses

1998 approved use of 2+3 (5%) after bond service for use by Fairgrounds until 2015 (7 years)

later revised this to commit 5% to a new 10 year Fairground Bond

2001 Oregon Legislature stops TRT abuse

all additions to be applied 70% to tourism anor capital improvements and 30% to County/City general fund

2004 FEC payment reduced to 190,000/yr for final 10 years of bond; but, FEC can redirect 40,000/yr to operations

2007 approved 400,000/yr redirected from promoting tourism to overnight campground operations

2008 Added 2% those in West Lane District so all in County paying the same rate

not the 5% base but of additional 3% applied per State law: 70% to marketing the visitor industry with remaining at 10% each to Museums, Special Projects, and 10% Cities other than Eugene and Springfield  
FEC payment reduced to 182,171 with 486,316 of LC obligated still due as of 30 Jun '11 (est paid in full Feb 2014)  
2012 approved 175,000 to Sheriff for patrol, extra year funding to Fairgrounds, and 386,000 to Lane Parks

City TRT rates are found it related city codes with 4.5% for Eugene and Springfield, 4% for Florence and Cottage Grove

City of Eugene serves as TRT administrator for Lane County AND all cities/towns who have additional rates  
In compensation ... 1 percent of collections from non-Eugene jurisdictions and full reimbursement of audit costs

### In ECC September 2012 presentation:

TRT col: 7,242,202 Lane Total 564,749 Florence 8% 958,951 (non-Eugene/Springfield/Florence/Cottage Grove) 13%  
1/3 of this 13% is felt comes from coastal zone outside Florence with SCO roughly estimating 900,000/yr  
*specific coastal revenue might be obtained via tax filing forms required sent to City of Eugene (TRT administrator)*

TRT returned: 251,000 Florence 4% (3% pass through +1% city added) 182,171 FEC (ends in 2014 toward 20 year bond)  
of 70% of 3% for contract with TLC dba ECC who also receive funds from \$250-\$2000 memberships (~1.8mil)  
TLC in Eugene + Springfield branch, 30+ Board, staff of 21 woman + 1 man, pricy Pres + 3 Vice Pres  
from 10% of 3% for tourism outside urban growth boundaries: 78,885 Florence 39% 10,218 Dune City 5%  
have been unable identify specific coastal tourism efforts beyond TLC/ECC web site (*need ask them directly*)  
from 10% of 3% for special projects: 20,700 Florence Chamber 10% 6,000 Dune Rock Race 3%  
= total of 550,000 last year while soon without FEC bond becomes 370,000 out of 900,000 the area sends to LC

For a motel inside Florence (currently 10%):

1% net to Oregon via Eugene TRT admin  
1% net to Florence (less Eugene admin fees)  
8% net to Lane County (less Eugene admin fees)  
3% net of this 8% goes to Florence (totals 4%)  
5% net left over for County to decide use

a motel outside Florence and along the coast:

1% net to Oregon via Eugene TRT admin  
0% (cities/towns impose their own like Florence)  
8% net to Lane County  
0% passed through  
8% full amount County to decide use

Per dollar distributed from net collected inside incorporated city:

37.50c passed to incorporated city  
25.00c Capital exp/ops of Fairgrounds, FEC, etc.  
27.25c Marketing contract (Travel Lane County dba ECC)  
3.75c Museums  
3.75c Administration and special projects  
3.75c Tourism outside Eugene/Springfield UGB

from outside incorporated city:

zero passed through  
62.50c Cap exp/ops of Fair, FEC, etc.  
same  
same  
same  
same

*SAY "net" as each collector takes cut for expenses, then TRT Administrator (Eugene) takes cut for expenses + reimbursed for audits*

Of 7.2M collected, 3M is transferred to incorporated cities leaving 4.2M for Lane County to spend:

1,400K Capital expense/operations of Fairgrounds, FEC, etc.  
1,600K Marketing contract ("Travel Lane County" dba ECC, TLC also charges business memberships)  
200K Museums  
200K Administration and special projects  
200K Tourism outside Eugene/Springfield urban growth boundaries  
173K special to Sheriff for patrols by recent BOCC approval  
386K special to Parks by recent BOCC approval

**Keith's Comments:** {*Stanton@SiuslawCounty.Org with any corrections*}

This is an initial stab at the collection of TRT related funding and may contain errors. Dollar figures come from pdfs by Eugene and ECC. In early 2014, the 182K from Lane toward the 20-year FEC construction Bond will terminate reducing TRT to that passed through to Florence, a few small projects, and some presence on the ECC web site. Figure maybe 300K received out of 952K collected. A new county would mean all 952K would remain on the coast to promote recreation and visitor facilities; eg. Florence Event Center, local Museums, free County Parks, Fishing facilities, etc.....