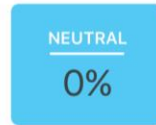


eComments
Ordinance 2017-17



Oppose

Tom Stroozas

8/15/17 1:07 PM

This is a tax targeting a specific segment of the visitor industry. Remember that in 2014 Mayor Navarre VETOED the Bed Tax ordinance because of Homer's innkeeper's objections. Some things to consider:

- The trickle down effect of the increase of taxes will hurt restaurants, shops and the other business that rely on visitor dollars. More money spent on lodging means less money will be spent on other items.
- A more broad based 1% tourism tax has been used in other states and would be much more palatable as visitors would pay the bulk of this tax.
- A bed tax would hurt winter tourism.
- A large percentage of Homer's visitors are from Anchorage & Mat-Su so we would be taxing our neighbors.

Thanks for listening.



Marcia Kuzmaul

8/15/17 1:03 PM

This ordinance singles out lodging as a proxy for tourism.

First of all, is the borough confident it is receiving all the sales tax it is due from all entities providing temporary lodging? The Homer Bed and Breakfast Association requires members to provide their permit number for collecting sales tax. Has the borough done an audit to ensure people who are advertising accommodations in their homes via VRBO or AirBnB or other means are collecting and paying sales tax? A bed tax adds an additional tax burden to legitimate lodging business while those operating under the radar will continue to short the borough coffers.

Secondly, lodging owners already pay significant taxes because of their property tax as well as sales tax. A lower but broader tourism tax that includes the array of services that visitors access is a much more equitable and palatable solution. We urge the assembly to take the time to explore this alternative that has been successful elsewhere, such as South Dakota, rather than go for a quick fix. We also would expect a solution that does not increase the tax burden of our in-state visitors so as to not dampen our in-state business.

Thirdly, as has been stated elsewhere, the key to increased revenue is growth, not regulation. The borough needs policies and practices that encourage and accommodate growth -- grow the pie rather than tax the pie.

Sincerely,

Marcia Kuzmaul



Oppose

Patty Shroy

8/14/17 11:15 PM

I oppose the proposed bed tax. Additional taxes detrimentally affect small business operations by adding cost to the target clients, potentially reducing length of stay and affecting many local businesses as a result. In the Homer area, visitors are already paying 7.5%. Why add additional cost burdens to revenue producing businesses? Please vote NO to bed tax.



Oppose

Holly Van Pelt

8/10/17 5:43 PM

I do not support this tax. I think it places a disproportionate burden onto the business owners and their customers. I realize that more money is needed to provide the services that I have come to expect. I support other means of raising revenue, such as a 1% visitor industry wide tax as well as raising the tax cap on general sales.



Oppose

Don Cotogno

8/10/17 5:29 PM

To be perfectly honest, this tax will have little affect on my business. Most of my revenue is derived in the Summer with out of state tourists. No matter what they will need a place to stay. The rub is all the down stream businesses (restaurants, gift shops, excursions, etc) will be drastically affected. If you did any research (and I have) you will find most people travel with a finite amount of funds. They will spend up to that limit and no more. The money can be spent on Taxes or on Goods and Services. WRT Off Season Lodging business, this tax will effectively destroy it. The folks from Anchorage (which accounts for 90% of winter business) will not stay and pay this tax. They will just go home. Given all of this your Net Take will be somewhat less than your projections. Not only the loss of Sales Tax but the loss of buying power of the business owners who are affected by the loss of sales. Raising tax rates is not the way to raise revenue, increasing volume is the way to do it. When a BUSINESS wants to increase profits it doesn't raise its prices so it becomes non-competitive but instead it tries to figure out how to increase volume. The same applies here!



Oppose

Gayle Maggi

8/10/17 11:39 AM

I oppose this ordinance; it will drastically impose on my ability to maintain my Temporary Lodging business. The added burden on our visitors will hinder the ability of local businesses to book clients.