Guest Tax Fund
### Fund 206 - GUEST TAX

**Revenue Sources - Description and Trends**

Revenue Source- City Charter Ordinance No. 22 provides that, in substitution of K.S.A. 12-1697(a) and (d), a transient guest tax of five percent (raised from 4% to 5% for 2004) shall be levied upon the gross receipts derived from or paid by transient guests for sleeping accommodations, exclusive of charges for incidental services or facilities, in any hotel, motel, or tourist court in the City.

Revenue estimates are prepared by the Convention and Visitors Bureau staff for City Commission review and approval, and are based on anticipated events attracting overnight visitors to Lawrence.

Trends- According to information provided by the Lawrence Convention and Visitors Bureau during their proposal for their 2004 Budget Request, economic conditions following 09/11/01 and other world events have resulted in static bed tax collections, with operating expenses (such as health insurance for employees) increasing. Reserves have been drawn upon to maintain existing obligations. Tremendous growth in sleeping rooms as well as meeting facilities in competing markets continues to have an effect on the Lawrence market. New hotel rooms built in 2001 are beginning to bring new business to the community and a better year is predicted in 2004. Additionally, the City Commission will begin the process of increasing the guest tax from 4% to 5% in 2004, which should have a positive impact on the revenue available for this fund.
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### Expenditures - Description and Trends

**Convention/Tourism Contract** Under a contract between the City and the Lawrence Chamber of Commerce, transient guest tax funds are used principally to operate the Lawrence Convention and Visitors Bureau (CVB). The CVB seeks to attract visitors to Lawrence and promote Lawrence as a destination for tourism, convention, film and group tour industry.

Major goals and objectives for the Convention and Visitor’s Bureau goals include:
- To improve the local economy and encourage economic growth by providing quality services to our visitors.
- To responsibly manage transient guest tax funds.
- To maintain productive working relationships with our partners in the business community.
- To implement Visit 2020 Program.
- To maintain efficient operation of the Visitor Information Center.

**Sister Cities** The City has two sister cities, Eutin, Germany and Hiratsuka, Japan. Moneys from this fund are used to support programs that build relationships between our two communities.

**Visit 2020 Reserve** Created by City Charter Ordinance 30, money from this fund shall be expended for such purposes as the City Commission determines promotes, enhances, maintains, or improves the tourism, visitor, or convention business of the City.