Revenue Sources - Descriptions and Trends

Revenue Sources: 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 to 5% in 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. Revenue estimates used for 2006 benefit from over one year of history of the 5% rate.

Trends: According to information provided by the Lawrence Convention and Visitors Bureau in their 2006 Budget Request proposal, continued growth in sleeping rooms as well as meeting facilities in competing markets will have an effect on the Lawrence market. The guest tax rate was increased from 4% to 5% in 2004. 2006 will be the second full budget year of funds collected at the higher rate and will likely have a positive impact on the revenue available for this fund.