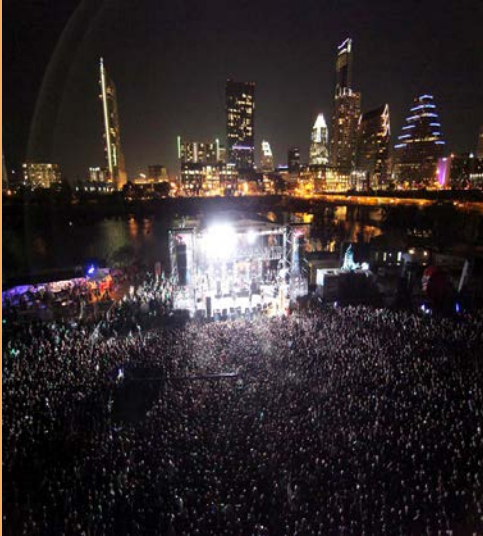

Hotel Occupancy Taxes in Austin



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What Drives Tourism in Austin?

In 2013, more than 21.5 million people visited Austin.



- Music Capital of the World
 - Festivals (SXSW, ACL, etc..)
 - Arts & Culture
 - Conventions
 - Zilker Park & Barton Springs
-
- Cultural Districts (6th Street, Red River, Zilker etc..)

Total Hotel Occupancy Taxes



Revenues are expected to double between 2024-2028

State Law

Chapter 351: Local Government
Code. Municipal Hotel
Occupancy Taxes

9 Allowable Uses

1. Convention or Visitors Bureau Facility
2. Convention Registration
3. Advertising, Soliciting, and Promoting
4. Promote the Arts
5. Historical Restoration or Preservation
6. Sporting Event related Expenditures
7. Sports Facilities or Sports Fields
8. Transportation Systems for Tourists
9. Signage for Tourist Attractions

351.101(a)(4) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;

351.101(a)(4) is limited to 15% of hotel occupancy tax revenues

351.101 (e) Hotel Occupancy tax revenue spent for the purpose authorized by this section may be spent for day-to-day operations, supplies, salaries, office rental, travel expenses, and other administrative costs only if those administrative costs are incurred directly in the promotion and servicing of expenditures authorized under Section 351.101(a)

City of Austin

9 cent tax on every dollar spent on hotel rooms in the City of Austin

7 cents - Determined by Council

Convention Center - 64 2/7% (\$45.2 million)

Convention & Visitors Bureau - 20 5/7% (\$14.6 million)

Cultural Arts Program - 15% (\$10.6 million)

2 cents - Determined by Voters

Venue Project, authorized under 11-2-11 *Additional Hotel Tax* - approved by voters May 1998, revenue Convention Center/Waller Creek Venue Project

Uses by other City's in Texas

San Antonio - The Riverwalk (15%)

El Paso - Department of Museums & Cultural Affairs

Houston - Professional Sports & Special Events

Opportunities for Austin?

Existing Expenditures..

Spring Festival Public Safety Costs

Cultural Centers & Museums

Zilker Park & Barton Springs

Historical Preservation Exemptions

Special Event Fee Waivers

Future Opportunities..

Creative Omnibus Recommendations

Cultural Districts

Music Venues

Multi-Use or Sports Facility

Other...

...

Visitor Impact Task Force

Scope of Work

- Study Impact of tourism on City services, facilities, and infrastructure
- Identify opportunities to use HOT to offset those impacts
- Review current uses of HOT
- Review of current tourist activity in Austin
- Review State and National best practices for tourism programs
- Review applicable State Code and potential allowable uses
- Make Recommendations to the Council

Economic Prosperity Commission could make recommendations to the VITF

Questions/ Comments?
