



# HOW CAN ROOM TAX BE SPENT?



Up to **30%** can go to **municipality**, unless municipality has been grandfathered in at a different rate.



At least **70%** must be spent on **Tourism Promotion and Tourism Development**.



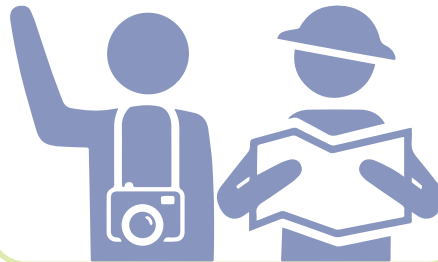
What expenditures are eligible?  
*(Answer "yes" to all three)*



Is it reasonably likely to generate **paid overnight stays** in multiple lodging properties?

- If municipality only has one property, is it likely to generate stays there?
- If you aren't sure, ask a lodging property operator!

Will it be significantly used by **transient tourists**?



Will it be for a Marketing Project, Tourist Information, or Tangible Municipal Development?

- **Ad buys/marketing** of tourist materials
- **Tourist services** creating overnight guests
- Funding a **convention center**



Make sure it complies — public reports are required to be filed by May 1 every year!