## WISCONSIN LOCAL ROOM TAX MODEL

## **Paid Overnight Guest** Spends \$\$ in local economy Attractions Retail Restaurants • Gas Stations Lodging · Drugstores & more Are non-residents Pays room tax to local lodging property **Lodging Property Tourism Entity** Remits collected room tax to municipality or Tourism Commission LODGINC Oversees expenditure of all \$\$ on "tourism promotion and tourism development" per statutory definition Attracts and generates paid ROOM overnight stays 0 ТАХ MUNICIPP **H**ŕ **Municipality**

- Can keep up to 30%, with a minimum of 70% going to a tourism entity or tourism commission
  - Exceptions
  - 1. A municipality "grandfathered" in 1994 to keep more than 30% may keep no more than the total dollar amount retained in 2010.
  - Any revenue beyond these caps must go to tourism promotion and tourism development.
  - 2. A municipality "grandfathered" in 1994 to keep less than 30% must continue to do so.



Provided as a service of the Wisconsin Hotel & Lodging Association. This is not intended to replace qualified legal counsel. For Wisconsin Room Tax resources, visit www.WisconsinLodging.org/roomtax. Contact: Bill Elliott, CAE (President & CEO) | (262) 782-2851 ext. 10 | belliott@wisconsinlodging.org | April 2023