

REQUEST FOR BOARD ACTION

ITEM NO. 22.

DATE OF MEETING: May 3, 2010

REQUESTED BY: Monique Baker, Tourism Development Authority (TDA) Director

SHORT TITLE: Resolution to Adopt Proclamations by the Pender County Board of Commissioners: 1) Travel and Tourism Week in Pender County: May 8-16, 2010 and; 2) Protect the Room Occupancy Tax (ROT)

BACKGROUND: 1) This proclamation is provided to the Board of Commissioners for approval in recognition of Travel and Tourism Week in Pender County for the week of May 8-16, 2010; and 2) This proclamation is provided to the Board of Commissioners for approval to protect our ROT. Online travel companies (OTC) that reserve lodging for their customers are not collecting Room Occupancy Tax (ROT) at all or only on the price they paid for the room not the price they are charging the customer. Lawsuits have commenced and the online travel companies have won in places that did not have policies in place to protect their "ability to levy taxes on rooms that are marketed through online travel companies".

SPECIFIC ACTION REQUESTED: To review and adopt the Proclamations.

COUNTY MANAGER'S RECOMMENDATION

Respectfully recommend approval.



Initial

RESOLUTION

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners that:

the proclamation entitled Proclamation by the Pender County Board of Commissioners, National County Government Week: May 3-9, 2009; and the proclamation to protect our Room Occupancy Tax are hereby adopted.

AMENDMENTS:

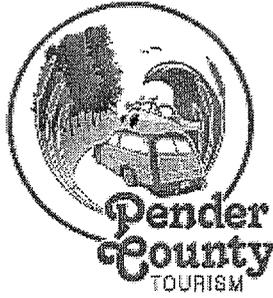
MOVED _____ SECONDED _____

APPROVED _____ DENIED _____ UNANIMOUS

YEA VOTES: Tate ___ Brown ___ Blanchard ___ Rivenbark ___ Williams ___

Jimmy T. Tate, Chairman Date

ATTEST Date



**PROCLAMATION BY THE PENDER COUNTY BOARD OF COMMISSIONERS
TRAVEL & TOURISM WEEK
FOR PENDER COUNTY, NORTH CAROLINA
THE SECOND WEEK IN MAY
MAY 8-16, 2010**

Whereas the US Travel Association promotes travel and tourism every 2nd week in May; and

Whereas this year's promotion will take place May 8-16, 2010 and encourages local governments and communities, civic and professional groups, businesses, and individual citizens to participate; and

Whereas the travel industry ranks as the 5th largest employer in the United States and directly supports approximately 183,000 jobs in North Carolina contributing \$4 billion to the states payroll; and

Whereas North Carolina also ranks sixth (up from 7th last year) in visitation with those visitors spending \$15.6 billion dollars, generating \$2.5 billion in tax receipts. [\$1.2 billion in federal taxes, and \$1.3 billion in state and local taxes; \$815.0 million in state tax revenue & \$508.3 million in local tax revenue]; and*

Whereas in Pender County, more than 690 jobs are directly attributable to travel & tourism contributing to over \$12.2 million in payroll; and

Whereas Travel to Pender County generated an economic impact of \$68 million which amounted to \$8 million in state & local taxes which saved each county resident over \$154 in tax savings**

Now, Therefore, the Pender County Board of Commissioners in concurrence with the US Travel Association, do hereby proclaim this May 8 – 16, 2010 the second week in May as Travel and Tourism Week in Pender County and encourage the citizens of Pender County to join me in this special observance with appropriate events.

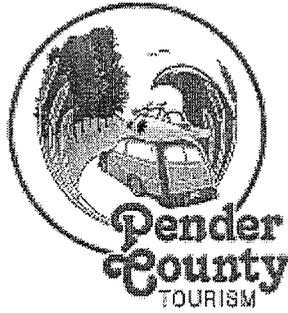
This 3rd day of May 2010.

Jimmy T. Tate, Chairman

Rick Benton, County Manager

*Statistics are for year 2009

**Statistics are for year 2008



PENDER COUNTY BOARD OF COMMISSIONERS

RESOLUTION

TO PROTECT THE ROOM OCCUPANCY TAX

WHEREAS, the room occupancy tax funds beach renourishment and tourism; and

WHEREAS, sales tax in Pender County funds operations, including education, public safety, and human service programs; and

WHEREAS, State and local governments are experiencing their worst fiscal crisis since the depression; and

WHEREAS, in FY 08-09, \$1.3 million was collected in Room Occupancy Tax in Pender County; and

WHEREAS, reduction in revenue due to reducing or eliminating online travel companies tax on rooms would impact the ability of local governments to fund services; and

WHEREAS, reducing or eliminating online travel companies' taxes would provide them an unfair competitive advantage by providing them preferential tax treatment.

NOW, THEREFORE, BE IT RESOLVED, that the Pender County Board of Commissioners strongly opposes any action which impacts local governments' ability to levy taxes on rooms that are marketed through online travel companies.

ADOPTED this the 3rd day of May, 2010.

Jimmy T. Tate, Chairman

Rick Benton, County Manager