



Finance Committee Meeting

Meeting Date: August 12, 2025

Hotel/Motel Tax – Ordinance Adoption

Department:	Administrator's Office
Presenter:	Tameka Allen, Administrator
Caption:	Motion to approve an ordinance amending the Excise Tax for Hotel, Motel and Rentals of Augusta-Richmond County and to waive the second reading.
Background:	<p>Augusta currently has a 6 percent tax on charges for hotel, motel, and rental stays. On January 13, 2025, the Augusta Commission approved a resolution requesting the General Assembly to authorize Augusta to increase this hotel/motel tax to 8 percent. The "Garden City Charm and Tourism Act" (HB498) was approved by the General Assembly during the 2025 session and signed into law by Governor Kemp.</p>
Analysis:	<p>The final step to implement the new tax rate is to adopt an ordinance amending Augusta's Excise Tax for Hotel, Motel and Rentals. Per the terms of the January 13 resolution and HB498, proceeds of the 8 percent tax will be allocated as follows:</p> <ul style="list-style-type: none">• 43.75% of collections will be expended for promoting tourism, conventions, and trade shows through the Augusta Convention and Visitors Bureau, Inc. (Destination Augusta).• 43.75% of collections will be expended for tourism product development through the Augusta-Richmond County Coliseum Authority.• 12.5% of collections will be available for allocation by the Commission during the annual budget process. <p>An updated operating agreement with Destination Augusta will also be needed to implement this change and is being presented as a companion item.</p>
Financial Impact:	<p>Based on 2024 collections, the estimated increase to the allocations for Destination Augusta and the Coliseum Authority is approximately \$680,000 each. The new funding available for Augusta is estimated to be approximately \$1,320,000.</p>
Alternatives:	Do not adopt the amended ordinance and maintain the current 6 percent tax.
Recommendation:	To approve an ordinance amending the Excise Tax for Hotel, Motel and Rentals of Augusta-Richmond County and to waive the second reading.

**Funds are available in N/A
the following accounts:**

**REVIEWED AND
APPROVED BY:**