



## **Finance Committee Meeting**

Meeting Date: August 12, 2025

### **Hotel/Motel Tax - Destination Augusta Amended Agreement**

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<b>Department:</b>	Administrator's Office
<b>Presenter:</b>	Tameka Allen, Administrator
<b>Caption:</b>	Motion to approve the Amended and Restated Professional Services Agreement with the Augusta Convention and Visitors Bureau, Inc. (Destination Augusta).
<b>Background:</b>	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.
<b>Analysis:</b>	This item is a companion to the proposed ordinance amendment to implement the 8 percent tax rate. Per the terms of the January 13 resolution and HB498, 43.75 rate of tax collections will be expended for promoting tourism, conventions, and trade shows through the Augusta Convention and Visitors Bureau, Inc. (Destination Augusta). The proposed agreement updates the existing agreement to reflect the new tax rate and the programmatic restrictions of the 8 percent tax. Under O.C.G.A. 48-13-50, the current Tourism Grant Program is not an eligible use of the 8 percent funds. Destination Augusta has committed to developing alternative programs and marketing resources to continue support for local arts and cultural organizations.
<b>Financial Impact:</b>	Based on 2024 collections, the estimated increase to the allocation Destination Augusta is approximately \$680,000 per year.
<b>Alternatives:</b>	Do not amend the agreement.
<b>Recommendation:</b>	To approve the Amended and Restated Professional Services Agreement with the Augusta Convention and Visitors Bureau, Inc. (Destination Augusta).
<b>Funds are available in the following accounts:</b>	N/A

**REVIEWED AND**  
**APPROVED BY:**