



BOARD OF COMMISSIONERS

AGENDA REQUEST & STAFF REPORT

MEETING DATE: May 28, 2025

SUBJECT: Work Session: Fee for Issuing Transient Lodging Tax Certificates of Authority

POSSIBLE ACTIONS:

1. No action.
2. Move approval to include a Certificate of Authority fee in the County Fee Schedule set for a Public Hearing on June 11, 2025, in the amount of \$XX for the initial registration and \$XX for the annual renewal.
3. Direct staff to return with additional information for consideration by the Board.

BACKGROUND AND POLICY IMPLICATIONS:

On May 21, 2025, the Board of County Commissioners held a public hearing to consider adopting amendments to Deschutes County Code section 4.08, Transient Room Tax. The Board voted unanimously to adopt Ordinance No. 2025-006 amending the Code, effective September 1, 2025.

Deschutes County Code section 4.08.140 A. states "Every property owner engaging or about to engage in business as a Transient Lodging Provider in the County shall provide a completed form for a Certificate of Authority [COA] to the Tax Administrator within 15 calendar days after commencing business."; section B. states, "When registering, registrants will be required to pay an administrative fee for the initial registration, in accordance with the County Fee Schedule"; and section C. states, "Property owners will be required to pay an administrative fee for the certificate renewal, in accordance with the County Fee Schedule."

Per section 4.12 of the Deschutes County Code, "Fees and charges for services shall be reviewed for compatibility with the actual cost of providing service each year, and shall be adjusted and set as of each July 1st."

This discussion focuses on the proposed COA fee in preparation for the public hearing on June 11, 2025, on the Fiscal Year 2026 County Fee Schedule. Staff will present the Board with an analysis of the proposed fee and review options for the Board's consideration for compatibility with the actual cost of providing the service. If approved, the fee would be effective September 1, 2025, in alignment with the date in Ordinance No. 2025-006.

BUDGET IMPACTS:

The FY 2026 Budget includes \$481,894 in costs to administer the Transient Lodging Tax. The COA fees would be used to offset the costs to administer this program, allowing available discretionary Transient Lodging Tax revenue to be allocated towards approved programs during the FY 2027 budget process.

ATTENDANCE:

Robert Tintle, Chief Financial Officer

Judi Hasse, Deputy Tax Collector

Michelle Assia, Transient Lodging Tax Management Analyst