

A concern expressed by some business owners on the interpretation statement in the letter is that many businesses sell multiday packages and contract with clients who pay the deposit to reserve the space and then pay the balance due approximately 90 days before their arrival. The contract provides an agreed upon quote of the total price, including taxes and fees. So, it becomes difficult to change the total price by adding 3% more when they pay their balance due.

The council may want to consider changing the wording to affected businesses and could include wording such as:

*Any contract for room sales made prior to November 15, 2025, and secured with a deposit for a quoted price that includes the previous 4% tax rate, will be honored and shall be taxed at that rate. Any contract made for room sales on or after November 15, 2025 for contracts or bookings in 2026 shall be taxed at the voter approved 3% sales tax plus the 4% room tax.*

*Any monies for 2026 bookings received between 11/15/2025 and 12/31/2025 is taxed at 4%. All monies received after 12/31/2025 will have the 3% sales tax added.*

If any changes are approved tonight, we will issue a new letter to the affected businesses with the updated language.