



ORDINANCE NO. 2025-22

AN ORDINANCE AMENDING SANDY MUNICIPAL CODE CHAPTER 3.28: TRANSIENT LODGING TAX

WHEREAS, a local transient lodging tax is a tax imposed by a local government on the sale, service or furnishing of transient lodging; and

WHEREAS, transient lodging includes hotel, motel and inn dwelling units that are used for temporary overnight human occupancy; spaces used for parking recreational vehicles or erecting tents during periods of human occupancy; and houses, cabins, condominiums, apartment units or other dwelling units, or portions of any of these dwelling units, that are used for temporary human occupancy; and

WHEREAS, Chapter 3.28 of the City of Sandy Municipal Code establishes requirements for the payment of transient lodging tax; and

WHEREAS, The City of Sandy's Transient Lodging tax rate is currently 3%, which is comparatively low when compared to other taxing jurisdictions in Oregon; and

WHEREAS, ORS 320.350 includes certain requirements regarding use of revenue for new transient lodging taxes, but the City's transient lodging tax pre-dates those requirements and is therefore exempt; and

WHEREAS, any marginal revenue resulting from an increase to the amount of the transient lodging tax would be subject to the requirements of ORS 320.350 relating to use of revenue; and

WHEREAS, the City Council adopted the 2025-2027 biannual budget on June 2, 2025, which reflected marginal tax revenue reflective of a Transient Lodging Tax rate increase; and

WHEREAS, the City Council held a hearing on June 16, 2025, allowing the public an opportunity to provide testimony on the proposed code amendments.

NOW, THEREFORE, THE CITY OF SANDY ORDAINS AS FOLLOWS:

Section 1: Sections 3.28.020 and 3.28.090 of Chapter 3.28, within Title 3, Revenue and Finance of the Sandy Municipal Code, are hereby amended as shown in Exhibit A, attached, and incorporated herein by reference.

Section 2: This ordinance shall take effect October 1, 2025.

This ordinance is adopted by the City Council of the City of Sandy this 21st day of July, 2025.

Kathleen Walker, Mayor

ATTEST:

Jeffrey Aprati, City Recorder

Exhibit A

Sec. 3.28.020. - Tax imposed.

Each occupant shall pay a tax in the amount of ~~three~~ six percent of the rent. The tax constitutes a debt owed by the occupant to the City which is extinguishable only by payment to the transient lodging tax collector. The occupant shall pay the tax to the transient lodging tax collector. Tax amounts shall be rounded down to the nearest cent. The transient lodging tax collector shall maintain records of all rent charged and tax payments received. The transient lodging tax collector shall enter the tax on the records when rent is collected if the transient lodging tax collector keeps records on a cash accounting basis and when earned if the transient lodging tax collector keeps records on the accrual accounting basis. If rent is paid in installments, a proportionate share of the tax shall be paid by the occupant to the transient lodging tax collector with each installment.

Sec. 3.28.090. - Disposition of tax.

In recognition of the portion of the tax which pre-dates ORS 320.350, use of the tax collected by the City shall be as follows:

- A. Half of all tax collected by the City shall be exempt from ORS 320.350 and shall continue to be used for the promotion of tourism and economic development; and
- B. Half of all tax collected by the City shall be used in accordance with ORS 320.350:
 - a. Seventy percent to fund tourism promotion or tourism-related facilities; and
 - b. Thirty percent to fund city services.