

# Oregon's Local Transient Lodging Tax:

## Debunking the 70/30 Split Myth

More data is needed before changing the current Transient Lodging Tax

Recent conversations regarding local TLT in Oregon have focused on the "70/30 split." Local lodging taxes and this ratio were designed to help communities draw more visitors as an economic development tool with an agreed upon 70% for things that support hospitality, drawing more people to communities, and 30% for general funds and whatever other municipal needs.

But because of a law that grandfathered in old ratios, in more tourist communities than not, it's more like 30% to support hospitality projects and 70% for other local government general funds. As this chart shows, some municipalities are even upwards of 80% of TLT revenue being spent unrestricted because it's truly a "blended rate" of old and new.

**The bottom line:** Before making any changes more information is needed on what percentage cities and counties are already receiving and spending. We know there is more than \$220 million generated from local lodging taxes annually in Oregon's 120 jurisdictions. **We need more transparency from local governments on how these dollars are coming in and going out** to ensure communities are seeing the bang for their buck in drawing tourism to their towns.

**TLT MYTH: Cities always get 30% of TLT.**

30% general fund      70% tourism promotion / facilities

**TLT REALITY: Shares vary by municipality.**

