Town of Yountville

IMPARTIAL ANALYSIS of Measure S
Transient Occupancy Tax Increase

BACKGROUND. Nearly every California city and town charges a “transient occupancy tax” to guests of hotels, motels and similar lodgings who stay 30 days or less. Counties charge such taxes in areas outside cities and towns. The Town of Yountville currently charges a 12% tax on stays in hotels with rooms for rent. Hotel operators collect the tax when guests pay for their rooms and pay it to the Town. The Town’s current 12% transient occupancy tax is a general tax which can be spent on any lawful purpose of the Town, including public safety, street maintenance, parks and recreation, and other services.

MEASURE S. This measure was placed on the ballot by the Yountville Town Council. It increases the transient occupancy tax by 1%, from 12% to 13%, and requires that all revenues from the additional 1% tax be spent on programs and services related to affordable and workforce housing. Because the revenues from the 1% tax increase will be used for a specific purpose, this measure is a special tax and will only be passed if at least two-thirds of votes cast at the election are in favor of the measure. If less than two-thirds of votes cast at the election are in favor, the measure will not pass. If the measure does not pass, the Town’s current 12% transient occupancy tax will remain in effect.

The measure creates an Independent Oversight Committee to meet annually to review the expenditure of revenues generated by the 1% tax and to make recommendations to the Town Council regarding those expenditures.

The rest of the Town’s transient occupancy tax ordinance would not be changed.

A “yes” vote approves the one-percent increase of the tax from 12% to 13%, with all revenues from the additional 1% tax spent on programs and services related to affordable and workforce housing.

A “no” vote rejects the increase and maintains the Town’s existing tax.

/s/ Gary B. Bell
Yountville Town Attorney