

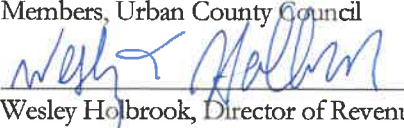
MAYOR LINDA GORTON



LEXINGTON

WESLEY HOLBROOK
DIRECTOR
REVENUE

TO: Mayor Linda Gorton
Members, Urban County Council

FROM: 
Wesley Holbrook, Director of Revenue

DATE: November 9, 2022

SUBJECT: Amend section 2-172 of the Code of Ordinances to be inclusive of all places accommodations are offered and rental platforms

Request

Authorization to amend section 2-172 of the Code of Ordinances (related to the transient room tax) to 1) apply the transient room tax to every type of accommodation and platform; accommodations subject to the transient room tax; 2) require online platforms (like Airbnb and VRBO) to collect and remit transient room taxes on rent charged by the platform; 3) establish that rentals of a continuous period of thirty (30) days to a person are not subject to the transient room tax; and 4) to define certain terms relevant to the above changes. This would take effect January 1, 2023.

Why are you requesting?

These changes are based upon HB8 bill which allows for an expansion of the current application of the transient room tax ordinance, which primarily results in rental platforms like AirBNB being directly subject to the tax. Additional related services necessary to facilitate the rental of the accommodation would also be included. Any additional revenue from such a change would be distributed to VisitLex and the Convention Center per state law.

What is the cost in this budget year and future budget years?

The cost for this FY is: n/a

The cost for future FY is: n/a

Are the funds budgeted?

There is no budgetary impact

Account number:

File Number: 1162-22

Director/Commissioner: Wesley Holbrook/Erin Hensley

