

# Memorandum



**Date:** June 13, 2024  
**To:** Members of the Board of Supervisors  
**From:** Nancy Anderson, Assistant County Executive Officer  
**Subject:** Amendments to Departmental Item No. 6 Attachment A - Proposed Ordinance to Increase TOT to 14%

DocuSigned by:

*Nancy Anderson*

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The County Executive Office has submitted a proposed Ordinance for Departmental Item No. 6 regarding an amendment to increase the Transient Occupancy Tax (TOT) from 12% to 14 for the November 2024 General Election Ballot.

It has come to our attention that an outdated version of the Ordinance, containing an incorrect adoption date, was inadvertently submitted. Please note that the correct adoption date, as indicated on page 4 of the Ordinance, is July 9, 2024.

The Board Letter has remained unchanged.

**Attachment:**

Revised Attachment A - Proposed Ordinance to Increase TOT to 14%

Attachment A

PROPOSED ORDINANCE FOR 14% TOT

ORDINANCE NO. \_\_\_\_\_

BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA, STATE OF  
CALIFORNIA

ORDINANCE AMENDING SECTION 32-12 OF THE SANTA BARBARA COUNTY CODE  
TO INCREASE THE TRANSIENT OCCUPANCY TAX RATE TO  
FOURTEEN PERCENT (14%)

THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA ORDAINS AS  
FOLLOWS:

SECTION I: VOTER APPROVAL OF AMENDMENT TO SANTA BARBARA COUNTY  
CODE SECTION 32-12. Section 32-12 of the Santa Barbara County Code is hereby set forth for  
voter approval to read as follows:

Sec. 32-12. Transient Occupancy Tax

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of fourteen percent (14%) of the rent charged by the operator. Such tax constitutes a debt owed by the transient to the County which is extinguished only by payment to the operator or to the County. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel. If for any reason the tax is not paid to the operator of the hotel, the County Tax Collector may require that such tax shall be paid directly to the County Tax Collector. The tax rate of fourteen percent (14%) shall take effect beginning January 1, 2025. In the interim period between the November 5, 2024 election and January 1, 2025, for the privilege of occupancy in

any hotel, each transient is subject to and shall pay a tax in the amount of twelve percent (12%) of the rent charged by the operator.

SECTION II: NATURE OF TAX. If approved by a majority of the electorate voting on the measure, the ordinance will increase the current transient occupancy tax rate to fourteen percent (14%) of rent charged. The transient occupancy tax is a tax imposed upon transients for the privilege of occupying defined hotels located within the unincorporated territory of Santa Barbara County. The tax would be collected by hotel operators in the same manner as the current transient occupancy tax is collected. The collection of the tax from hotel operators would be administered by the Santa Barbara County Tax Collector as provided in Chapter 32, Article II of the Santa Barbara County Code.

SECTION III: GENERAL TAX. The transient occupancy tax imposed by this ordinance is a general tax within the meaning of Government Code Section 53721 and Article XIII C, Section 1 (a) of the California Constitution. The revenue generated by this general tax is available for general government use and purposes. To that end, the Auditor- Controller is instructed to deposit the revenue from the tax into the County General Fund. The County shall include an estimate of the revenue from this general tax, together with the estimates of other revenue sources, in the tabulation that is annually required to be prepared by Government Code Section 29060. The revenue from this general tax shall be made available to the Board of Supervisors for annual appropriation in the County's budget for any lawful expenditure. Nothing in this ordinance nor in any other ordinance, advisory measure, resolution, or policy shall be construed as limiting, in any way, the amount or the objects of the appropriations and expenditures that can be made from the revenue of the tax nor be construed as creating a continuing appropriation. The tax will remain in effect unless and until repealed.

SECTION IV: EFFECT. Voter approval of this ordinance shall have the effect of increasing the transient occupancy tax.

SECTION V: COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA). Pursuant to CEQA Guidelines Section 15378(b)(4), adoption of this tax increase ordinance as a government funding mechanism is not a project subject to the requirements of CEQA. Prior to commencement of any project that may result from the expenditure of revenues from this tax increase, any necessary environmental review required by CEQA shall be completed.

SECTION VI: SEVERABILITY. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION VII: ELECTION. An election shall be held on November 5, 2024, on the issue of increasing the current transient occupancy tax rate to fourteen percent (14%) of rent charged. If the measure is defeated, the transient occupancy tax will remain at the existing transient occupancy tax rate of twelve percent (12%) of rent charged.

SECTION VIII: EFFECTIVE DATE. This ordinance shall take effect immediately upon its adoption by a majority of the electorate voting on the ordinance at the November 5, 2024 general election.

**Passed, approved and adopted by the Board of Supervisors of the County of Santa Barbara on the 9<sup>th</sup> day of July 2024, by the following vote, subject to adoption by the electorate at the election of November 5, 2024.**

AYES:

NOES:

ABSTAIN:

ABSENT:

\_\_\_\_\_  
Steve Lavagnino,  
CHAIR, BOARD OF SUPERVISORS

ATTEST:

MONA MIYASATO  
CLERK OF THE BOARD

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

RACHEL VAN MULLEM  
COUNTY COUNSEL

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Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

BETSY SCHAFFER  
AUDITOR-CONTROLLER

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