

County of Santa Barbara

Annual Transient Occupancy Tax Report Fiscal Year Ended June 30, 2013

In 1963, local governments were granted the power to tax the privilege of occupying a room or other living space in a hotel, motel, inn, tourist home, or other lodging (such as campgrounds) for 30 days or less. Transient occupancy tax (TOT), calculated as a percentage of the daily rent, is collected by the operator and then remitted to a city finance department or County Treasurer-Tax Collector for unincorporated areas.

During fiscal year 2012-13 the transient occupancy tax rate was 10% for all unincorporated areas, the City of Santa Maria and the City of Lompoc; and 6% for the City of Guadalupe. During the year, TOT rates increased from 10% to 12% for the cities of Buellton, Carpinteria, Goleta, and Solvang as a result of voter approved ballot measures.

TOT Rates at 6/30/2013:

Santa Barbara	12%
Goleta	12%
Solvang	12%
Santa Maria	10%
Lompoc	10%
Carpinteria	12%
Buellton	12%
Guadalupe	6%
County	10%

¹ Summary of the County / City Revenue Neutrality Agreement for the City of Goleta:

- Agreement in effect from February 1, 2002 until June 30, 2012.
- 60% of TOT generated in the City of Goleta goes to the City and 40% goes to the County.
- For overnight hospitality establishments that opened after February 1, 2002, 100% of TOT generated in the City of Goleta goes to the City.

Annual Transient Occupancy Tax Summary

	<u>Fiscal Year</u> <u>2011-12</u>	<u>Fiscal Year</u> <u>2012-13</u>	<u>Change</u> <u>from Prior</u> <u>Year</u>
Cities:			
Santa Barbara	\$ 16,394,093	\$ 17,611,106	7.4%
Goleta - City Share ¹	2,688,710	5,604,278	108.4%
Solvang	2,682,707	2,998,807	11.8%
Santa Maria	2,440,981	2,531,982	3.7%
Lompoc	1,270,405	1,441,422	13.5%
Carpinteria	1,493,930	1,564,423	4.7%
Buellton	1,239,616	1,344,904	8.5%
Guadalupe	-	-	0.0%
Total Cities	\$ 28,210,441	\$ 33,096,922	17.3%
Unincorporated Areas:			
Montecito	\$ 4,086,364	\$ 4,227,452	3.5%
Goleta - County Share ¹	1,449,879	-	-100.0%
Goleta Valley	1,408,857	1,523,192	8.1%
Santa Ynez	504,192	620,647	23.1%
North County	110,417	153,474	39.0%
South County	208,420	255,725	22.7%
Total County	\$ 7,768,130	\$ 6,780,490	-12.7%
Countywide	\$ 35,978,571	\$ 39,877,412	10.8%

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Transient occupancy tax reached \$39.88 million in fiscal year 2012-13, an increase of 10.8% from fiscal year 2011-12.

During the prior fiscal year 2011-12, the County received 40% of TOT generated in the City of Goleta, which amounted to \$1.45 million. Due to the termination of the revenue neutrality mitigation period, effective July 1, 2012, the County no longer receives a 40% share of the TOT. This created a significant shift of TOT revenues from the County to the City of Goleta.