STR Revenue: background info MVY DRAFT 11/30/22 LS

## 1. MA DOR does not currently separate the rooms tax by category.

- Very inconvenient, makes the conversation harder to parse on the local level
- See attached table of rooms tax by town (WT Town Accountant Bruce Stone).

## 2. Currently Rooms Tax rates & funding location in the six MV towns are as follows:

AQ:	4% (adopted 2006)	general fund
CH:	4% (adopted 1997)	general fund
ED:	4% (adopted 1987)	partial general, partial stabilization fund
OB:	6%	general fund
TIS:	6%	general fund
WT:	6%	general fund

## 3. Summary of percentages on MVY vs Cape Cod:

- In 2018, prior to passage of the STR tax, 11 of the 15 Cape Cod towns were at 4%
- Since then, 10 Cape towns have raised to 6%.
- Now only Sandwich remains at 4 % -- LS waiting to hear back from Sandwich Town Manager on why/any plans to raise
- 6% rate goes into effect in Harwich & Chatham on 1/1/23 (increase was adopted at spring 2022 town meetings)

## 4. Why are 3 MV Towns still at 4%?:

- Aquinnah: as per Kathy Newman, AQ voted down increasing to 6% in 2019, but has not revisited the topic since then.
- Chilmark:
- Edgartown:
- 5. Thoughts: With the Affordable Housing Committees in all the towns now discussing potential asks for a portion of the STR revenue to go to housing (possibly to an ADU program)nnow seems to be a reasonable time for AQ/Chil/Edg to consider updating their rates to 6% match the rest of the region