

Halverson, Vicky

From: Rep.LehmanM
Sent: Thursday, October 09, 2003 8:50 AM
To: 'Hopfauf, Dwight'
Subject: RE: AB 404 County Room Tax

Thanks very much for your message. I'll Make sure Rep. Lehman sees it.

-----Original Message-----

From: Hopfauf, Dwight [mailto:Dwight.Hopfauf@storaenso.com]
Sent: Thursday, October 09, 2003 8:49 AM
To: 'Rep. Lehman'; 'Rep. Jeffrey Wood'; 'Rep. Steve Nass'; 'Rep. Gene Hahn'; 'Rep. Frank Lasee'; 'Rep. Suzanne Jeskewitz'; 'Rep. Samantha Kerkman'; 'Rep. Thomas Lothian'; 'Rep. Wayne Wood'; 'Rep. Pedro Colon'; 'Rep. Terese Berceau'; 'Rep.Robert Ziegelbauer'; 'Rep. Johnnie Morris'; 'Rep. Tom Hebl'
Subject: AB 404 County Room Tax

Good morning,

It is a beautiful day in Central WI today with the streets full of children recently returning to school a week later than previous years.

That new starting date was the vision of legislators such as you recognizing the tremendous gain in tourism revenue by allowing the small inns, boat rental companies, restaurants, motels and other tourism related businesses to extend their business one more week of our precious summer to those here to enjoy our state.

Don't lose that vision. The decision to allow county boards the ability to create a room tax will only defeat the smart decision that the legislature made. County boards are under tremendous pressure to achieve budgets. The decision to increase or create taxes is not the answer to revenue shortfalls. It is through economic development. Extending the summer one more week created revenues. It created economic development. That is the answer to the entire state's revenue challenges. It is not through new or increased taxes.

Our state already has an image problem of being tax heavy. An additional tax will only further cement that perception. Or cement a reality, would be a more correct statement. Approving the bill under the guise of "tourism related" as the means that only the new funds raised could be used for is hog wash. There is no way to be true to that direction or that wish.

Please vote against approving AB 404 County Room Tax. Send the message that the county boards need to find different means to meet budgets and taxation is not the answer.

Thank you,

Dwight J. Hopfauf
General Manager
Hotel Mead
451 East Grand Avenue
Wisconsin Rapids, WI 54494

Halverson, Vicky

From: SKalcik@aol.com
Sent: Thursday, October 09, 2003 8:53 AM
To: pugal@lodging-wi.com
Cc: rep.lehmanm@legis.state.wi.us; rep.woodj@legis.state.wi.us; rep.nass@legis.state.wi.us;
rep.hahn@legis.state.wi.us; rep.laseef@legis.state.wi.us; rep.jeskewitz@legis.state.wi.us;
rep.kerkman@legis.state.wi.us; rep.lothian@legis.state.wi.us; rep.woodw@legis.state.wi.us;
rep.colon@legis.state.wi.us; rep.berceau@legis.state.wi.us; rep.ziegelbauer@legis.state.wi.us;
rep.morris@legis.state.wi.us; rep.hebl@legis.state.wi.us
Subject: Fwd: Alert on County Room Tax Bill Hearing!

Dear Wisconsin Legislator,

I am sending this to declare my opposition to AB 404 regarding the possible county room tax. I operate a Resort in Wisconsin Dells where there already is a total tax to the guest of 11%. Many travelers already express their discontent with this and it does influence their decision to travel to this area, especially for the short weekend traveler. A vote against AB404 will help tourism in our state much more than any additional tax.

Thank You,

Scott G. Kalcik, Meadowbrook Resort

Halverson, Vicky

From: tourville [tourville@explorelacrosse.com]
Sent: Thursday, October 09, 2003 3:46 PM
To: @localhost; rep.lehmanm@legis.state.wi.us; rep.wwodj@legis.state.wi.us;
rep.nass@legis.state.wi.us; rep.hahn@legis.state.wi.us; rep.laseef@legis.state.wi.us;
rep.jeskewitz@legis.state.wi.us; rep.kerkman@legis.state.wi.us; rep.lothian@legis.state.wi.us

Oct. 9, 2003

To: Members of the WI. Assembly Ways & Means Committee

From: The La Crosse Area Convention & Visitors Bureau
Tom Tourville-Executive Director

opposed

I'm aware that you will be holding a hearing shortly concerning AB404, County Room Tax Legislation.

We were recently made aware of the legislation and many concerns over the proposed legislation.

If you look at a "border" community such as La Crosse who has to compete with Iowa destinations (Cedar Rapids, Cedar Falls, Waterloo), Minnesota destinations (Rochester, Mankato, Minneapolis, St. Paul) for tourism and convention customers, adding an 8% County imposed room tax on top of our existing 7% room tax, would harm our industry significantly that employees over 6000 people full-time.

Adding such a tax on top of our current room tax and sales tax would put us at such a competitive disadvantage, severe damage could be done to a very vital La Crosse area tourism/convention industry.

We are very concerned about this proposed legislation. I ask that you not move this bill forward.

October 9, 2003

Dear Representative,

I am writing to you to express my opposition to bill AB 404.

Tourism generated dollars should be used for tourism related development by tourism related entities. If counties would impose the maximum tax as presented in this bill, Wisconsin could have the highest taxes in the country at as much as 17 to 20%. Imagine a family wanting to travel to Wisconsin and paying as much as \$20 tax on a \$100 room night.

Vote against bill AB 404.

Sincerely,

Mike Kaminski

President Chula Vista Resort
Past President of Wisconsin Dells Visitor & Convention Bureau
Past Member of the Wisconsin Innkeepers Assn Board of Directors
Member of the Wisconsin Restaurant Assn

Halverson, Vicky

From: Glenn Brill [gbrill@fdl.com]
Sent: Thursday, October 09, 2003 3:51 PM
To: rep.lehmanm@legis.state.wi.us; rep.woodj@legis.state.wi.us; rep.nass@legis.state.wi.us;
rep.hahn@legis.state.wi.us; rep.lasseef@legis.state.wi.us; rep.jeskewitz@legis.state.wi.us;
rep.kerkman@legis.state.wi.us; rep.lothian@legis.state.wi.us; rep.woodw@legis.state.wi.us;
rep.colon@legis.state.wi.us; rep.berceau@legis.state.wi.us; rep.ziegelbauer@legis.state.wi.us;
rep.morris@legis.state.wi.us; rep.hebl@legis.state.wi.us
Cc: Rep.Townsend@legis.state.wi.us
Subject: AB 404

Members of the Assembly Ways & Means Committee:

The Executive Committee of the Fond du Lac Area Convention & Visitors Bureau asks you to vote no on AB 404, the County Room Tax Bill, which will be the subject of a public hearing on October 15th.

If enacted, the bill would have a devastating impact on the tourism industry, which is the state's second largest industry. Allowing a county room tax of up to 8% to be added to the existing state sales tax and local room tax could result in a total tax bite of more than 20%!

In the early 1990s, New York City raised its room tax to this level. The negative impact on tourism was so great, it quickly rescinded the increase. We need to grow tourism in Wisconsin-AB 404 would quickly stunt any potential for growth.

Glenn Brill
Executive Director
Fond du Lac Area CVB
171 S. Pioneer Rd.
Fond du Lac, WI 54935-3871
920.923.3010 or 800.937.9123
Fax: 929.6846
glenn@fdl.com www.fdl.com

Halverson, Vicky

From: Gerald Rappaport [grappaport@hiltonmilwaukee.com]
Sent: Friday, October 10, 2003 10:00 AM
To: 'rep.lehmanm@legis.state.wi.us'; 'rep.nass@legis.state.wi.us'; 'rep.hahn@legis.state.wi.us';
'rep.lasee@legis.state.wi.us'; 'rep.jeskewitz@legis.state.wi.us'; 'rep.kerkman@legis.state.wi.us';
'rep.lothian@legis.state.wi.us'; 'rep.woodw@legis.state.wi.us'; 'rep.colon@legis.state.wi.us';
'rep.berceau@legis.state.wi.us'; 'rep.ziegelbauer@legis.state.wi.us'; 'rep.morris@legis.state.wi.us';
'rep.hebl@legis.state.wi.us'
Subject: AB 404 County Room Tax

Dear Representatives,

I understand the Assembly Ways and Means Committee is holding a hearing on AB 404 (County Room Tax) on October 15, 2003. I cannot attend, but I wanted to let you know of my concerns.

AB 404 authorizes counties to impose yet another room tax of up to 8% on the rental of sleeping rooms. The total tax on rooms in Milwaukee County is now 14.6%. This additional tax would boost Wisconsin to the highest room taxing state in the entire country. Added funding for attracting tourism would be of no use, as this tax rate alone would stymie our attempts to attract convention business as well as individual visitors to Milwaukee and Wisconsin. Our chances of competing for this business would be substantially diminished. Tourism spending in Wisconsin is now \$2.5 billion dollars, and this generates more than 66,000 jobs. We need to keep these jobs in our beautiful state.

Please oppose AB 404 and avert a devastating blow to the economy of the state of Wisconsin.

Respectfully,

Gerald Rappaport
General Manager
Hilton Milwaukee City Center
509 W. Wisconsin Avenue
Milwaukee, Wisconsin 53203
414-390-4640 direct phone
414-271-9612 direct fax
grappaport@hiltonmilwaukee.com

10/10/2003

Halverson, Vicky

From: Steve Magnuson [stevemagnuson@marcushotels.com]
Sent: Friday, October 10, 2003 10:01 AM
To: 'rep.lehmanm@legis.state.wi.us'
Subject: OPPOSE AB 404!

Importance: High

Dear Representative Lehman:

I understand the Assembly Ways and Means Committee is holding a hearing on AB 404 (County Room Tax) on October 15, and while I cannot attend, I wanted to make you aware of my concerns.

AB 404 authorizes counties to impose yet another room tax of up to 8% on the rental of sleeping rooms. Already, we have a local room tax of 3%, a 5% state sales tax, and a .5% county sales tax, for a total tax on rooms of 8.5%. If an 8% county room tax were to be added to this, our guests would have to pay 16.5% on top of the actual cost of the room to stay at our property. Currently, the highest room tax in the entire country is 17%! This would put us in league with the biggest cities in the nation!

As an upscale conference center, we compete fiercely not only with hotels and resorts in Wisconsin and nearby Illinois, but with states nationwide. Every property within a county that authorizes such a room tax through AB 404, will find itself at a distinct competitive disadvantage, both within the state and without.

This bill would have a devastating impact on tourism in our community and around the state, hurting not only our business, but the many other businesses that depend on tourist dollars.

Please oppose AB 404.

Sincerely,



*Stephen M. Magnuson
Vice President and Managing Director
Grand Geneva Resort
7036 Grand Geneva Way
Lake Geneva, WI 53147*

Kraak, Maureen

From: Sandy & Tom Rhode [strhode@frontiernet.net]
Sent: Friday, October 10, 2003 2:19 PM
To: rep.lehmanm@legis.state.wi.us; rep.woodj@legis.state.wi.us; rep.nass@legis.state.wi.us;
rep.hahn@legis.state.wi.us; rep.laseef@legis.state.wi.us; rep.jeskewitz@legis.state.wi.us;
rep.kerkman@legis.state.wi.us; rep.lothian@legis.state.wi.us; rep.woodw@legis.state.wi.us;
rep.colon@legis.state.wi.us; rep.berceau@legis.state.wi.us; rep.ziegelbauer@legis.state.wi.us;
rep.morris@legis.state.wi.us; rep.hebl@legis.state.wi.us
Subject: Room Tax Increase
Subject: Increase in Room Tax

We strongly oppose ANY increase in the WI Room Tax because we feel it would adversely affect tourism in WI. People utter disgust when we now charge the tax we do, so it would only make matters worse. Any negative impact we have at this time is detrimental--especially during tough economic times. How can the legislature face so many jobs being lost in our state & then exacerbate this situation by discouraging tourism?

Let's be positive & encourage tourists to come to our state & thus, revenue is raised across the board from tourists' spending on not only lodging but at other businesses as well. Let's keep our contented repeat customers coming to our beautiful state! Instead of looking for a "quick buck" now, we need to keep focused on the motto, "Forward Wisconsin"!

Sandy & Tom Rhode
Drift In Cottages
W5541 N Shore Dr
Shawano, WI 54166

Kraak, Maureen

From: Laurie Wenger [wenger@powerweb.com]
Sent: Friday, October 10, 2003 2:34 PM
To: rep.lehmanm@legis.state.wi.us
Subject: Fw: AB404 County Room Tax

----- Original Message -----

From: Laurie Wenger
To: pugal@lodging-wi.com
Sent: Friday, October 10, 2003 11:17 AM
Subject: AB404 County Room Tax

Please be informed that we greatly oppose the proposed county room tax bill.
We feel that adding another tax to lodging will greatly deter tourism to the state, thus affect not only our business but many others as well.

John & Laurie Wenger
Wenger's Water's Edge Resort, LLC(Shawano County)
N2293 HWY 45
Campbellsport, WI 53010

Kraak, Maureen

From: Ryan, Lynn [lryan@heidelhouse.com]
Sent: Friday, October 10, 2003 3:51 PM
To: rep.lehmanm@legis.state.wi.us
Cc: Krause, Scott
Subject: Oppose AB 404
Importance: High

Dear Representative Lehman:

I understand the Assembly Ways and Means Committee is holding a hearing on AB 404 (County Room Tax) on October 15, and while I cannot attend, I wanted to let you know of my concerns.

AB 404 authorizes counties to impose yet another room tax of up to 8% on the rental of sleeping rooms. We already have a local room tax of 5% plus pay the 5% state sales tax and a .5% county sales tax as well, for a **total tax on rooms of 10.5%**. If an 8% county room tax were to be added to this, **our guests would have to pay 18.5%** on top of the actual cost of the room to stay at our property. This bill would have a devastating impact on tourism in our community and around the state, which hurts our business and many others as well. How can Wisconsin justify a higher tax percentage than downtown **New York** which is **13.625%**?

Please oppose AB 404.

Sincerely,

Scott Krause
General Manager
Heidel House Resort
643 Illinois Avenue
Green Lake, WI 54941
800.444.2812

Halverson, Vicky

From: CY, Milwaukee Downtown WI GM [cy.mkedt.gm@marriott.com]
Sent: Friday, October 10, 2003 10:01 AM
To: 'rep.lehmanm@legis.state.wi.us'
Subject: AB 404

Dear Representative Lehman:

I understand the Assembly Ways and Means Committee is holding a hearing on AB 404 (County Room Tax) on October 15, and while I cannot attend, I wanted to let you know of my concerns.

AB 404 authorizes counties to impose yet another room tax of up to 8% on the rental of sleeping rooms. We already have a local room tax of 9.1% plus pay the 5% state sales tax, and the .5% county sales tax for a total tax on rooms of 14.6%. If an 8% county room tax were to be added to this, our guests would have to pay up to 22.6% on top of the actual cost of the room to stay at our property. This bill would have a devastating impact on tourism in our community and around the state, which hurts our business and many others as well.

Please oppose AB 404.

Sincerely,

Tony Beer
General Manager
Courtyard by Marriott Milwaukee Downtown
Phone: 414-291-4122 Fax: 414-291-4188
email: cy.mkedt.gm@marriott.com

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Halverson, Vicky

From: on behalf of Rep. LehmanM
To: Judy Downie
Subject: RE: Bill AB 404

Dear William & Judy:

Thank you for your message expressing your support for AB 404, which would authorize counties to impose a room tax. I appreciate hearing from you.

The Way and Means Committee held a Public Hearing on this bill on October 15, 2003. The testimony was overwhelmingly in opposition to the bill. There were 21 people who either registered in opposition or spoke against the bill, and 4 people (including the author) who registered or spoke in favor of it.

For that reason, I do not plan to schedule a vote on AB 404 at this time.

Again, thanks for taking the time to convey your thoughts.

Respectfully,

Michael "Mickey" Lehman

-----Original Message-----

From: Judy Downie [mailto:judithannd@centurytel.net]
Sent: Monday, October 11, 1999 12:27 AM
To: rep.lehmanm@legis.state.wi.us
Subject: Bill AB 404

Representative Michael Lehman;

We are writing you concerning Bill AB 404 which is in the Assembly Ways and Means committee. As I understand we do have the support of our Representative Luther Olsen.

My position is with our newly formed Convention and Visitors Bureau which is closely linked with the Waushara Area Chamber of Commerce. My husband is a supervisor of District 8 on our Waushara County Board. A principal on our Convention and Visitors Bureau board is Henry Conti, attorney and owner of two hotels in our county and two in other counties. Waushara County is rich in resources and we feel "Where Up North Begins". Tourism is our major source of income, along with agriculture.

With the state's recent cut of approximately one third of the tourism budget this would be a great way to help funding in our area.

By allowing the County Board to impose a room tax for our county this would be an important tool to generate funds that would increase the economic climate for our communities, through marketing, and more exposure in the state markets.

A Memorial established through a generous contribution of one of local citizens has enabled the construction of the WW II Memorial Hall, in downtown Wautoma, which displays all the WW II veterans from Waushara County in forms of pictures and stories of their contribution in that arena. This building also houses a beautiful banquet hall. Marketing of this hall is now being done through the efforts of the Convention and Visitors Bureau as a volunteer effort. Funds are needed to continue this marketing through publications and ability to sell our great resources outside our area.

We are one of the very few areas which does not have a room tax, and with the addition of two more new hotels/motels to be constructed in our county,

we feel now is the time to establish this tax to go forward and increase economy for these communities.

We thank you for any consideration you could give us on this bill.

Sincerely

William and Judy Downie

Halverson, Vicky

From: The Rosenberry Inn
Sent: Saturday, October 11, 2003 11:09 AM
To: rep.lehmanm@legis.state.wi.us
Subject: AB 404 County Room Tax Proposal
Importance: High

Dear Representative Lehman:

I understand the Assembly Ways and Means Committee is holding a hearing on AB 404 (County Room Tax) on October 15, and while I cannot attend, I want to inform you of my concerns.

AB 404 Authorizes counties to impose yet another room tax of up to 8% on the rental of sleeping rooms. We already have a local room tax of 8% plus pay the 5% state tax and 0.5% Marathon County sales tax for a total tax on rooms of 13.5%. If an 8% county room tax were to be added to this, our guests would have to pay 21.5% on top of the actual cost of the room to stay at our property. This bill would have a devastating impact on tourism in our community and around the state which hurts our business and many others as well.

Please oppose AB 404.

Sincerely,
Linda Brehmer, Owner/innkeeper
Rosenberry Inn Bed and Breakfast
511 Franklin Street
Wausau, WI 54403

Halverson, Vicky

From: James A Yeakey [fivekeys@frontiernet.net]

Sent: Saturday, October 11, 2003 4:27 PM

To: rep.lehmanm@legis.state.wi.us; rep.woodj@legis.state.wi.us; rep.nass@legis.state.wi.us;
rep.hahn@legis.state.wi.us; replaseef@legis.state.wi.us; rep.jeskewitz@legis.state.wi.us;
rep.kerkman@legis.state.wi.us; rep.lothian@legis.state.wi.us; rep.woodw@legis.state.wi.us;
repcolon@legis.state.wi.us; repberceau@legis.state.wi.us; rep.ziegelbauer@legis.state.wi.us;
rep.morris@legis.state.wi.us; rep.hebl@legis.state.wi.us; rep.ainsworth@legis.state.wi.us

Subject: AB 404 Proposed County Room Tax

Dear members of the Ways and Means Committee,

I am writing to express my opposition to AB404, the bill currently under consideration to give Counties the authority to levy a lodging tax of up to 8%. I am a small business owner with a five room B&B within the city of Shawano, in Shawano County. My wife and I opened our B&B in 1997 as a way to help supplement our retirement income. Currently, we collect 10% tax from each of our guests (5% state sales tax, .5% county sales tax, and 4.5% city lodging tax). I am very concerned that should we add an additional 8% to that amount, visitors are going to begin looking for someplace else to spend their tourism dollars, preferably where taxes are lower. Many guests tell me that they enjoy visiting Wisconsin because they feel that they get a good value for their dollar. It is true that we do have attractions, but it is also true that people regularly ask about the current amount of tax and complain that it is too high. If each entity taxed to the maximum, we could end up charging our customers 21.5% (state sales 5%, county sales .5%, city lodging 8%, and county lodging 8%). In all my travels, the most I recall paying was 16% in the St. Louis area. I am sure many of the surrounding states would let travelers know that their tax rate is much lower and that tourists would take advantage of that fact. Plus, if one county authorizes a lodging tax and a nearby county does not, this will certainly put the facilities within the taxing county at a great disadvantage.

I am also aware that county boards are facing budget shortages, and I am very concerned as to how the money would be expended. Currently, the local lodging tax is used for tourism marketing and development and allows Shawano County to compete for tourism dollars. I personally believe that additional tax money, even if earmarked for marketing and development, would be counter-productive because people would not want to pay the higher tax. Tourism is a vital industry for the Wisconsin economy, and I would hate to see it be taxed out of existence.

Thank you for your consideration of my viewpoint and please do not allow this bill to proceed.

Sincerely,

Jim Yeakey
Five Keys Bed and Breakfast
103 S. Franklin St.
Shawano WI 54166
715-526-5567

10/13/2003

Halverson, Vicky

From: Vicki Radue [wanderingwaves@hotmail.com]
Sent: Saturday, October 11, 2003 5:58 PM
To: rep.lehmanm@legis.state.wi.us
Subject: AB 404

AB404 - I am writing in opposition of AB 404. We have recently purchased a resort on Shawano Lake and will be looking to build up a business there. Additional taxes will not only discourage tourism in Wisconsin (which hurts all businesses), but also add a hardship to current tourism businesses in Wisconsin who are already burdened with high taxes. Vicki Radue - 2771 Manitowoc Rd., Green Bay WI, 54311 - Resort located at 5425 North Shore Dr., Shawano WI.

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October 12, 2003

RE: AB 404 County Room Tax Proposal

As owners of a four room bed and breakfast in Ozaukee County, we would voice our concerns regarding the proposal to authorize counties to collect a room tax of up to 8% from all overnight lodging properties:

1. Lodging establishments have not been immune to the disastrous economy since 9-11-01. We have worked overtime and run numerous specials to encourage tourists to come. Many establishments which had hoped to raise their rates, have instead lowered their rates to remain competitive. In the meantime, innkeeper's expenses for such basics as health insurance, utilities, and food have only gone up.
2. Tourism has not escaped spending cuts as budgets have been slashed across the board.
3. When municipalities mandate room taxes, regulations dictate that most of the money be used to promote tourism. It is redundant for municipalities and the counties of which they are a part to duplicate this objective.

There could be reasons to eliminate the municipal room taxes in favor of county room taxes (used to promote tourism) but the duplication of room taxes at both the municipal and county levels seems redundant and unreasonable.

4. Tourists have choices and tourists have limited discretionary income. Why would a tourist choose to come to Wisconsin and pay in excess of 20% taxes on their lodging when they can go elsewhere? It seems that taxation of tourists has already reached a zenith in a state that claims to welcome tourists and to encourage them to "stay just a little longer". Additional taxation sends potential tourists a message: **'AVOID TRAVELING WISCONSIN'**.
5. As costly government scandals have decimated the national image of Wisconsin in recent months, it would behoove the current legislature to think twice about the wisdom of further scandalizing our state's public image. Budget shortfalls are everywhere. Let them be an opportunity for creative solutions rather than a **COFFIN FOR TOURISM** and a means of further undercutting the economy of Wisconsin.

Respectfully,

Rita & Dave Nelson, Owners, Port Washington Inn, Port Washington, WI 53074

Halverson, Vicky

From: Colonial Gardens Bed and Breakfast
Sent: Sunday, October 12, 2003 9:03 AM
To: rep.lehmanm@legis.state.wi.us
Subject: County room tax opposition

Dear Representative Lehmanm:

I understand the Assembly Ways and Means Committee is holding a hearing on AB 404 (County Room Tax) on October 15, and while I cannot attend, I wanted to let you know of my concerns.

AB 404 authorizes counties to impose yet another room tax of up to 8% on the rental of sleeping rooms. We already have a local room tax of 4% plus pay the 5% state sales tax and .5% county sales tax as well for a total tax on rooms of 9.5%. If an 8% county room tax were to be added to this, our guests would have to pay 17.5% on top of the actual cost of the room to stay at our property. This bill would have a devastating impact on tourism in our community and around the state, which hurts our business and many others as well.

Please oppose AB 404.

Sincerely,

Joseph and Debra Hertel
Colonial Gardens Bed and Breakfast
344 N. Third Ave.
Sturgeon Bay, Wi. 54235
(920) 746-9192
website: www.colgardensbb.com
e-mail: relax@colgardensbb.com

Halverson, Vicky

From: Peg Stahlman [yankee@excel.net]
Sent: Sunday, October 12, 2003 8:11
To: rep.lehmanm@legis.state.wi.us
Subject: AB 404

Dear Joe:

Just a note to let you know our opinion regarding AB 404. We are adamately opposed to this bill which would increase the amount of tax that we collect from our guests. We already collect 5% state tax plus 4% City of Plymouth room tax. To add another 8% for a total of 17% will drive potential lodging guests to other areas! Please vote against this bill!

Thanks for your consideration.

Warmly,

Jim and Peg Stahlman

Peg Stahlman
Yankee Hill Inn Bed & Breakfast
405 Collins Street
Plymouth, WI 53073
920-892-2222
www.yankeehillinn.com
yankee@excel.net
"Providing Elegant, Historic Lodging Since 1988"

Halverson, Vicky

From: La Grange Bed & Breakfast [lagrange@compufort.com]

Sent: Sunday, October 12, 2003 9:56 PM

To: rep.lehmanm@legis.state.wi.us; rep.woodj@legis.state.wi.us; rep.nass@legis.state.wi.us;
rep.hahn@legis.state.wi.us; rep.lasee@legis.state.wi.us; rep.jeskewitz@legis.state.wi.us;
rep.kerkman@legis.state.wi.us; rep.lothian@legis.state.wi.us; rep.woodw@legis.state.wi.us;
rep.colon@legis.state.wi.us; rep.berceau@legis.state.wi.us; rep.ziegelbauer@legis.state.wi.us;
rep.morris@legis.state.wi.us; rep.hebl@legis.state.wi.us

Subject: Oppose AB 404

To: The Ways and Means Committee

AB 404 authorizes counties to impose yet another room tax of up to 8% on the rental of sleeping rooms. We already have a local room tax of 5%, pay the 5% state sales tax, and pay a .5% county sales tax as well. If an 8% county room tax were to be added to this, our guests would have to pay 18.5% on top of the actual cost of the room to stay at our property. This bill would have a very negative impact on tourism in Fort Atkinson and around the state.

Do we really want to be known as the state with the highest tax on tourism in the country?
Please oppose AB 404.

Dennis & Gerry Rybickie
La Grange Bed & Breakfast
1050 East Street
Fort Atkinson, WI 53538
www.1928barn.com
Email: lagrange@compufort.com

Kraak, Maureen

From: liz brown [stagecoachliz@yahoo.com]
Sent: Monday, October 13, 2003 2:52 PM
To: rep.lehmanm@legis.state.wi.us
Subject: proposed additional room tax-Cedarburg

Dear Representative Lehman,

opposed

We are very concerned about the possible proposed additional room tax being considered by the County Board.

At present the Stagecoach Inn B&B is contributing 10.05% tax for every room transaction.

This past year has been a difficult year and our slowest since we started 20 years ago. I talked with Jim Pape from the Washington House and they also had a slow year. I feel an additional tax would be an unfair burden for our industry which frankly at present is not doing as well as many would care to admit.

We would ask that the additional room tax be defeated. We need to support our small businesses in Wisconsin and encourage growth rather than tax us out of existence.

Thankyou. Liz and Brook Brown
Stagecoach Inn
W61 N520 Washington Ave
Cedarburg, Wisconsin 53012

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Kraak, Maureen

From: Dan Minard [danm@heartlandinns.com]
Sent: Monday, October 13, 2003 2:14 PM
To: rep.hebl@legis.state.wi.us; rep.morris@legis.state.wi.us; rep.ziegelbauer@legis.state.wi.us;
 rep.berceau@legis.state.wi.us; rep.colon@legis.state.wi.us; rep.woodw@legis.state.wi.us;
 rep.lothian@legis.state.wi.us; rep.kerkman@legis.state.wi.us; rep.jeskewitz@legis.state.wi.us;
 rep.lasee@legis.state.wi.us; rep.hahn@legis.state.wi.us; rep.nass@legis.state.wi.us;
 rep.woodj@legis.state.wi.us; rep.lehmanm@legis.state.wi.us
Cc: Sandy (Office); Peggy; Robyn
Subject: AB 404 *opposed*
 Good morning,

I represent a regional hotel company with a location in Eau Claire. It has come to our attention that the state is considering allowing the implementation of a county room tax in Wisconsin, to be levied at up to 8%. This is in addition to a city tax of 8%, state sales tax of 5%, and local option sales tax of .5%. It has come to our attention in other words that the state of Wisconsin is preparing to become the most confiscatory state in the union with regard to room taxes.

This proposal will raise the cost of doing business in Wisconsin. As you know, raising taxes doesn't raise revenue, it lowers use. The people who have to stay will raise their prices to cover the additional cost of doing business in Wisconsin and those who can use alternative measures to do business in our state will do so. The net result is higher consumer prices and lower occupancy for hotels--and lower state sales tax, local motel tax, and local option taxes thanks to lower occupancy.

Recreational travelers with a choice will opt for a night's lodging in Minnesota and a short drive--one wonders what the folks in Hudson think of your plan, for instance. Those who stay at a hotel with a 21.5% tax rate will justifiably feel abused, and will depart Wisconsin with a bitter aftertaste. They will have been 'soaked'. Surrounding states have to be salivating at the opportunity and are bound to use this in their advertising.

Our company does not complain easily--we met the challenges after 9/11 when the travel industry was one of the immediate economic victims of the attack. On the heels of that recovery came the increased pressure to reduce rates from cyber space--Hotels.com, Priceline, and others are making it difficult for hotels to earn a living these days. In the midst of this most recent challenge, AB 404 will be the I-beam, not the straw, that broke the camel's back.

I know this looks like "found money"--a tax imposed on people who cannot vote against the officials who created it bears no consequence. But it does have consequences. We have seen it in the implementation of the city room taxes and we will see it again if the counties are allowed to create one. Our guests resent the continual gouging and they will seek alternatives. We will collect your tax, we will bear the complaints and the consequences, we ask only that you hear our protest and use restraint--please do not allow this bill to pass into law, it will harm our business and the image of the state.

Sincerely,
 Daniel R. Minard
 Heartland Inns of America, LLC

Post script: As the owners and managers of a Wisconsin hotel, we are not residents of Wisconsin. Many of our partners are, however, and we will be contacting them today to make

10/13/2003

them aware of AB 404 and it's potential for damage to our business. We intend to actively follow up on the vote and will as actively support the opponents of lawmakers who vote for this measure. We will ask our partners residing in Wisconsin to assist us in our effort to make the next election an expensive one for the state politicians who choose greed over consideration.

Rita & Dave Nelson, Owners, Port Washington Inn, Port Washington, WI 53074

Rita Nelson
Port Washington Inn
1-877-794-1903
info@port-washington-inn.com
www.port-washington-inn.com

Kraak, Maureen

From: Keran & Pam Farrell [kpfarrell@netwurx.net]

Sent: Monday, October 13, 2003 6:10 PM

To: rep.lehmanm@legis.state.wi.us

Subject: AB404

Dear Representative Lehman:

I'm writing you to express my concern over AB404 regarding the County Room Tax. *opposed*

Despite the current financial crises within the various counties around the state of Wisconsin, an additional 8% county room tax would be devastating to the Wisconsin tourism industry. At a potential 21.5% room tax rate, that would make Wisconsin the most expensive place to stay! And with the current (and rising) levels of intra-state travel, Wisconsin's own residents would be paying this enormous rate, not just tourists from outside of Wisconsin.

Surely, you and our other leaders in Madison would have to agree that Wisconsin already leads the way in taxation in the United States. Do we really want to continue that, or even exacerbate that reputation? Do we want Wisconsin to have the reputation of being the most expensive state in which to visit or stay? I know I don't.

What is this tax going to fund? Tourism? It would seem contradictory to spend that money to tell people to come to Wisconsin and pay the highest room tax rate in the country.

As a purveyor to the Wisconsin Hospitality Industry, I can tell you first-hand that this tax would subsequently have a tremendous negative impact on my business and my career. With the certain declining occupancy rates that this tax would cause, hoteliers would then be hard-pressed to spend additional monies to renovate their hotels and give tourists a first-rate lodging experience. You can certainly appreciate how this tax could "snowball" throughout the tourism industry.

I understand that there will be a hearing this Wednesday October 15th. Although I will be unable to attend, I thought it important that I contact you to express my apprehension regarding AB404.

Thank you for your attention to this matter. I'll probably see you around Hartford sometime!

Sincerely yours,

Keran Farrell
Serta Mattress Company
Hartford, WI

10/14/2003

Kraak, Maureen

From: Tony Miu [tmui@lakelawnresort.com]
Sent: Monday, October 13, 2003 5:36 PM
To: rep.lehmanm@legis.state.wi.us
Cc: rep.woodj@legis.state.wi.us; rep.nass@legis.state.wi.us; rep.hahn@legis.state.wi.us;
rep.lasee@legis.state.wi.us; rep.jeskewitz@legis.state.wi.us; rep.kerkman@legis.state.wi.us;
rep.woodw@legis.state.wi.us; rep.colon@legis.state.wi.us; rep.berceau@legis.state.wi.us;
rep.ziegelbauer@legis.state.wi.us; rep.morris@legis.state.wi.us; rep.hebl@legis.state.wi.us
Subject: AB 404 County Room Tax

Dear Representative Lehman :

I understand the Assembly Ways and Means Committee is holding a hearing on AB 404- County Room Tax on October 15th, and while I cannot attend, I wanted to let you know of my concerns.

Currently, we have a local room tax of 8%, plus a 5% state sales tax, plus a .5% county sales tax for a total room tax of 13.5%. As a matter of fact, we are 2.5% higher than our competitors in Northern Illinois. Also, there is a myth that the guests or the meeting planners do not care about the room tax and the truth of the matter is that they do care! We are constantly being asked by the meeting planners regarding our room tax percentage and they were shocked to hear that we charge a 13.5% in Delavan, Wisconsin.

This bill would have a devastating impact on our business and many others as well, such as gas stations, grocery stores, shops, restaurants etc. etc.. Most importantly, it could affect the livelihood of our employees.

Please oppose AB 404 and we appreciate your understanding.

Sincerely,
Tony

Anthony Miu
General Manager
Lake Lawn Resort
2400 E. Geneva Street
Delavan, WI 53115

(262)728-7950 ext.2917

www.LakeLawnResort.com

Kraak, Maureen

From: Tracy [esmke@execpc.com]
Sent: Monday, October 13, 2003 5:21 PM
To: rep.lehmanm@legis.state.wi.us
Subject: Embassy Suites Hotel-Milwaukee West

October 13, 2003

Representative Michael Lehman
P.O Box 8952
Madison, WI 53708-8952

Subject: AB404- (County Room Tax)

Dear Representative Michael Lehman:

I understand the Assembly Ways and Means Committee is holding a hearing on AB 404 (County Room Tax) on October 15, and while I cannot attend, I wanted to let you now of my concerns.

AB 404 authorizes counties to impose yet another room tax of up to 8% on the rental of sleeping rooms. We already have a local room tax of 8% plus pay the 5.1% state sales tax for a total tax on rooms of 13.1%. If an 8% county room tax were to be added to this, our guests would have to pay 21.1% on top of the actual cost of the room to stay at our property. This bill would have a devastating impact on tourism in our community and around the state, which hurts our business and many others as well.

Long known for their high Hotel Room Taxes in 1992 the Hotel Association of New York City (and the New York State Hospitality & Tourism Association) commissioned a study on the subject. The resulting report: "The Destructive Impact of New York State's Hotel Occupancy Tax..." outlines the destructive impact to the economy that comes from such high taxes! The City of New York has since moved to reduce its combined Hotel Room Taxes to 13.5% as compared to our 13.1%.

Tourism has already been hurt by the economic downturn and the decline in travel since September 11, 2001. I urge you to Oppose AB 404.

Yours in hospitality,

Kirk A. Drusch, CHA
Vice President & General Manager
Embassy Suites Hotel-Milwaukee West
1200 S. Moorland Rd.
Brookfield, WI 53008

10/14/2003

Kraak, Maureen

From: Shawn and/or Scott Smith [snssmith@chorus.net]
Sent: Monday, October 13, 2003 7:30 PM
To: rep.lehmanm@legis.state.wi.us
Subject: Opposing AB 404

Dear Representative Lehman,

I understand the Assembly Ways and Means Committee is holding a hearing on AB 404 on October 15th, and I hope to attend, but I wanted to let you know my concerns.

AB 404 would allow counties to impose a room tax of up to 8% on hotel rooms all across our state. Taxing visitors to make up for state cuts to local spending needs. While I appreciate the difficulty in current County budgets I think taxing visitors for our local social needs is wrong.

Secondly, AB 404 would have a devastating effect on tourism business in the state. Our current competitors in Illinois, Minnesota, and Michigan would be using the potential 21% room tax to draw away our visitors. With tourism business still reeling from 9/11 followed by the economic down turn, this is definitely not in our best interest. If you don't take my word for it please call an Innkeeper in your district, our livelihoods are at stake.

Thanks for your time,
Scott V. Smith, CHA
Vice Chair Wisconsin Innkeepers Association
310 N. 5th St. Madison, WI



EMBASSY SUITES

HOTEL*

Milwaukee - West

October 13, 2003

Representative Michael Lehman
P.O Box 8952
Madison, WI 53708-8952

Subject: AB404- (County Room Tax)

Dear Representative Michael Lehman:

I understand the Assembly Ways and Means Committee is holding a hearing on AB 404 (County Room Tax) on October 15, and while I cannot attend, I wanted to let you now of my concerns.

AB 404 authorizes counties to impose yet another room tax of up to 8% on the rental of sleeping rooms. We already have a local room tax of 8% plus pay the 5.1% state sales tax for a total tax on rooms of 13.1%. If an 8% county room tax were to be added to this, our guests would have to pay 21.1% on top of the actual cost of the room to stay at our property. This bill would have a devastating impact on tourism in our community and around the state, which hurts our business and many others as well.

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Tourism has already been hurt by the economic downturn and the decline in travel since September 11, 2001. I urge you to Oppose AB 404.

Yours in hospitality,

Kirk A. Drusch, CHA
Vice President & General Manager

Halverson, Vicky

From: Dave Nelson [rnelson99@wi.rr.com]
Sent: Monday, October 13, 2003 1:01 PM
To: rep.lehmanm@legis.state.wi.us; rep.woodj@legis.state.wi.us; rep.nass@legis.state.wi.us;
 rep.laseef@legis.state.wi.us; rep.jeskewitz@legis.state.wi.us; rep.kerkman@legis.state.wi.us;
 rep.lothian@legis.state.wi.us; rep.woodw@legis.state.wi.us; rep.colon@legis.state.wi.us;
 rep.berceau@legis.state.wi.us; rep.ziegelbauer@legis.state.wi.us; rep.morris@legis.state.wi.us;
 rep.hebl@legis.state.wi.us

Subject: RE: AB404

October 12, 2003

RE: AB 404 County Room Tax Proposal

opposed

As owners of a four room bed and breakfast in Ozaukee County, we would voice our concerns regarding the proposal to authorize counties to collect a room tax of up to 8% from all overnight lodging properties:

1. Lodging establishments have not been immune to the disastrous economy since 9-11-01.

We have worked overtime and run numerous specials to encourage tourists to come.

Many establishments which had hoped to raise their rates, have instead lowered their rates to remain competitive. In the meantime, innkeeper's expenses for such basics as health insurance, utilities, and food have only gone up.

2. Tourism has not escaped spending cuts as budgets have been slashed across the board.

3. When municipalities mandate room taxes, regulations dictate that most of the money be used to promote tourism. It is redundant for municipalities and the counties of which they are

a part to duplicate this objective.

There could be reasons to eliminate the municipal room taxes in favor of county room taxes (used to promote tourism) but the duplication of room taxes at both the municipal and county levels seems redundant and unreasonable.

4. Tourists have choices and tourists have limited discretionary income. Why would a tourist choose to come to Wisconsin and pay in excess of 20% taxes on their lodging when they can go elsewhere? It seems that taxation of tourists has already reached a zenith in a state that claims to welcome tourists and to encourage them to "stay just a little longer". Additional taxation sends potential tourists a message:

'AVOID TRAVELING WISCONSIN'

5. As costly government scandals have decimated the national image of Wisconsin in recent months, it would behoove the current legislature to think twice about the wisdom of further scandalizing our state's public image. Budget shortfalls are everywhere. Let

them be an opportunity for creative solutions rather than a **COFFIN FOR TOURISM** and a means of further undercutting the economy of Wisconsin.

Respectfully,

10/13/2003

Halverson, Vicky

From: Rodriguez, Charlene
Sent: Tuesday, October 14, 2003 11:35 AM
To: Halverson, Vicky
Cc: Crippes, Kim
Subject: Assembly Bill 404

Hi Vicky,

Dave wanted me to forward this to you for your files regarding tomorrow's hearing on AB 404. The constituent told me they already contacted your office about their concerns but wanted to pass along the original e-mail they sent to us.

Don't hesitate to contact me if you have any questions or concerns.

Thanks!

Char

Ward Office

-----Original Message-----

From: La Grange Bed & Breakfast [mailto:lagrange@compufort.com]
Sent: Thursday, August 07, 2003 10:25 PM
To: rep.ward@legis.state.wi.us
Subject: AB404

Dear Representative Ward,

As owners of La Grange Bed and Breakfast in Fort Atkinson, we are concerned about the proposed legislation to raise the lodging tax from an upper limit of 8% to 16%. We have adjusted to the 5% lodging tax that we pay now in addition to a 5% state tax and .05 county tax. However, an additional lodging tax would, I fear, make our rates look exorbitant. It would drive prospective tourists away.

Since Wisconsin tourism is an industry that benefits all of its citizens, we would hope to help it thrive even more by making lodging affordable to people who visit, especially those from beyond our borders.

We appreciate all your efforts to help tourism grow in Wisconsin. Please oppose AB404. Thank you.

Dennis & Gerry Rybickie
La Grange Bed & Breakfast
1050 East Street
Fort Atkinson, WI 53538
www.1928barn.com <<http://www.1928barn.com>>
Email: lagrange@compufort.com <<mailto:lagrange@compufort.com>>

Kraak, Maureen

From: Ed Gaul [egaul@holidayinnsp.com]

Sent: Tuesday, October 14, 2003 7:59 AM

To: rep.lehmanm@legis.state.wi.us

Subject: AB 404

Representative Lehman:

I am writing in opposition to AB 404. This would greatly damage the tourism industry and make us the highest taxed state in the nation! Please consider carefully the full implications and impact this would have on our industry.

Respectfully,

Edward T. Gaul

Director of Sales

Holiday Inn Stevens Point

10/14/2003

Kraak, Maureen

From: Lull-Abi Inn of Egg Harbor [lull-abi@dcwis.com]
Sent: Tuesday, October 14, 2003 12:20 AM
To: 'Rep. Lehman'; 'Rep. Jeffrey Wood'; 'Rep. Steve Nass'; 'Rep. Gene Hahn'; 'Rep. Frank Lasee'; 'Rep. Suzanne Jeskewitz'; 'Rep. Samantha Kerkman'; 'Rep. Thomas Lothian'; 'Rep. Wayne Wood'; 'Rep. Pedro Colon'; 'Rep. Terese Berceau'; 'Rep. Robert Ziegelbauer'; 'Rep. Johnnie Morris'; 'Rep. Tom Hebl'; rep.lasee@legis.state.wi.us
Subject: AB404- Proposed room tax

Dear Representatives-

I realize by now you have received a lot of e-mail (mostly just a form letter) concerning industry opposition to AB404, the proposed room tax on lodging. I have decided not to forward the form letter, but to spend a bit more time asking you to vote against this proposal. This is not just a NIMBY reaction to what may appear to be a good source of revenue to address the budget shortfall, but an appeal to you to think about the competitive disadvantage this will put Wisconsin in vs. other neighboring states. You must remember that a lot of tourism in Wisconsin, Minnesota, and Michigan (where most of my customers are from) is done in smaller resort type areas with smaller properties. I shudder to think of the impact that a room tax will have on the fishing resorts, B&Bs, and inns like the one we own when Minnesota decides to emphasize the value of a Minnesota vacation vs. a Wisconsin vacation that is now 8% higher. You must remember that while I compete with the inn next door, my primary competition lies outside of Door County and outside of Wisconsin. It will be very difficult to convince someone to drive 6 hours from Minneapolis when they can drive 3 hours and save 8% for much the same vacation experience.

Please remember, my type of business is volume driven. In order for areas like Door County, Bayfield, Hurley, Hayward, Spooner, etc. to remain prosperous you must not make us uncompetitive with neighboring states. Reducing my sales volume will worsen the situation we are battling right now-declining tourism volume. The key to resolving the budget problem lies in the longer term solution of incenting tourists to make the drive and collecting more sales tax from the businesses that will prosper from the increased volume. For that reason I urge you to vote against this measure.

Thank you for your time.

Bruce and Gail Hill
The Lull-Abi Inn of Egg Harbor
P.O. Box 0527
7928 Egg Harbor Rd.
Egg Harbor WI 54209
920-868-3135
866-251-0749 toll free
920-868-2521 FAX
lull-abi@dcwis.com
www.lullabi-inn.com

Kraak, Maureen

From: Denny Moyer [moyer@sheboygan.org]
Sent: Tuesday, October 14, 2003 4:45 PM
To: rep.lehmanm@legis.state.wi.us
Subject: Room Tax

Dear Rep. Lehmann,

RE: AB 404

To permit counties to impose a tax on top of a tax already imposed by municipalities would be a huge deterrant to our tourism industry, especially at this time when we are trying to bring visitors back who are already struggling with economic issues.

Please bury this bill as expiditiously as you can.

Thank you,

denny

Denny Moyer, Manager
Convention and Visitors Bureau
712 Riverfront Drive, Suite 101
Sheboygan, WI 53081
E-mail: moyer@sheboygan.org
Phone: 920-457-9495
Fax: 920-457-6269
URL: www.sheboygan.org

Kraak, Maureen

From: Doug Cameron [timberbay@cheqnet.net]

Sent: Tuesday, October 14, 2003 5:07 PM

To: 'Rep. Frank Lasee'; 'Rep. Gene Hahn'; 'Rep. Jeffrey Wood'; 'Rep. Johnnie Morris'; 'Rep. Lehman'; 'Rep. Pedro Colon'; 'Rep. Robert Ziegelbauer'; 'Rep. Samantha Kerkman'; 'Rep. Steve Nass'; 'Rep. Suzanne Jeskewitz'; 'Rep. Terese Berceau'; 'Rep. Thomas Lothian'; 'Rep. Tom Hebl'; 'Rep. Wayne Wood'

Subject: Room Tax/Sawyer County

Dear Representatives,

I strongly urge you to appose legislation for the room tax proposed in bill AB-404. In this day of rising prices for everything, small Mom and Pop resort owners are being forced out of business. We try to keep up with increases in utilities, insurance, sales tax and license fees without raising our prices. If we were to pass along our expenses to our guest, they may not continue to book a vacation with us. This directly affects the tourism industry. Do we want to eliminate the opportunity for middle class families to vacation in Wisconsin?

I am interested to hear your thoughts

Doug Cameron
Timber Bay Resort

Kraak, Maureen

From: The Blacksmith Inn [relax@theblacksmithinn.com]

Sent: Tuesday, October 14, 2003 5:22 PM

To: rep.lehmanm@legis.state.wi.us

Subject: AB 404

Dear Representative,

Please vote NO on bill AB 404 that would allow counties to enact a room tax of up to 8% for furnishing tourist lodging.

Many of our guests comment on the fact that there are no excessive hidden taxes on their bill when they check out. The fact that we collect only state sales tax is a competitive advantage for us. This translates to Jobs and Income for our region and the State of Wisconsin. Enacting this tax puts us at a competitive disadvantage!

The proponents argue that the bill has provisions for dedicating a portion of these funds to tourism promotion. This promotion would not attract tourists if the room tax is so high!

Of course the County Boards want this tax to pass. They are facing budget cuts and would love to get their hands on another pool of money. But this tax will ultimately be counterproductive when fewer tourists bring their vacation dollars to our area!

Again, please KILL this BILL!

Sincerely,
Joan & Bryan Nelson, Innkeepers
The Blacksmith Inn
Baileys Harbor, WI 54202
1-800-769-8619

Please visit us at <http://www.theblacksmithinn.com> for photos and virtual tours of every guest room!

Kraak, Maureen

From: Victorian Treasure [innkeeper@victoriantreasure.com]
Sent: Tuesday, October 14, 2003 7:47 PM
To: rep.lehmanm@legis.state.wi.us; rep.woodj@legis.state.wi.us; rep.nass@legis.state.wi.us;
 rep.hahn@legis.state.wi.us; rep.jeskewitz@legis.state.wi.us; rep.kerkman@legis.state.wi.us;
 rep.lothian@legis.state.wi.us; rep.woodw@legis.state.wi.us; rep.colon@legis.state.wi.us;
 rep.berceau@legis.state.wi.us; rep.ziegelbauer@legis.state.wi.us; rep.morris@legis.state.wi.us;
 rep.hebl@legis.state.wi.us; rep.lasee@legis.state.wi.us
Subject: Opposition to AB 404
Importance: High

Dear Representative,

My wife and I are small business owners of a Bed and Breakfast in **Lodi**. We are writing to let you know we vehemently oppose the passage of AB 404. The potential impact on our future in the hospitality industry is one of gloom if this passes. I understand the Assembly Ways and Means Committee is holding a hearing on AB 404 (County Room Tax) on October 15, and while my wife and I cannot attend, we wanted to let you know of our concerns.

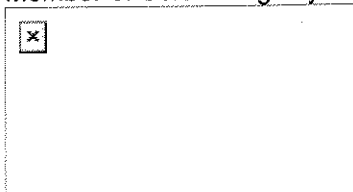
AB 404 authorizes counties to impose yet another room tax of up to 8% on the rental of sleeping rooms. With the state sales tax and the county tax of .5%, we can compete with other properties out of state. If an 8% county room tax were to be added to this, our guests would have to pay 13.5% on top of the actual cost of the room to stay at our property. This bill would have a devastating impact on tourism in the little town of **Lodi** and our Bed and Breakfast may have to close. We employ many local high school age children and purchase our supplies from local vendors. This would be devastating to everyone in the community!!!!

Please oppose AB 404.

Renee and Eric Degelau, Owner Innkeepers
 Victorian Treasure Inn
 115 Prairie Street, Lodi, WI 53555
 phone 608-592-5199, fax 608-592-7147
<mailto:innkeeper@victoriantreasure.com>
<http://www.victoriantreasure.com>

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Named "One of the Top Ten Most Romantic Inns in America, 2001" by American Historic Inns
 Voted "Top 15 Inns for Most Privacy", 2003 by Arrington's Bed and Breakfast Journal
 Voted "Top 15 Inns for Wine Tasting", 2002 by Arrington's Bed and Breakfast Journal
 As featured & recommended in Victorian Homes magazine, February 2001
 "One of America's truest and finest B & B Inns"PBS Country Inn Cooking with Gail Greco
 Member of Select Registry - Distinguished Inns of North America



Halverson, Vicky

From: R & R Bayview [randr@cheqnet.net]
Sent: Tuesday, October 14, 2003 9:29 AM
To: rep.lehmanm@legis.state.wi.us
Cc: rep.woodj@legis.state.wi.us; rep.nass@legis.state.wi.us; rep.hahn@legis.state.wi.us;
rep.laseef@legis.state.wi.us; rep.jeskewitz@legis.state.wi.us; rep.kerkman@legis.state.wi.us;
rep.lothian@legis.state.wi.us; rep.woodw@legis.state.wi.us; rep.colon@legis.state.wi.us;
rep.berceau@legis.state.wi.us; rep.ziegelbauer@legis.state.wi.us; rep.morris@legis.state.wi.us;
rep.hebl@legis.state.wi.us
Subject: Proposed county room tax AB 404

Dear Sir and Madam,

I am writing you this e-mail in regards to the proposed tax bill AB 404. I am a resort owner in Hayward, WI. I would gladly support this bill with the follow revised Provision.

The limit needs to be 5% not 8% and no revision to the 70% provision that goes to Promotion of Tourism. We are one of many "mom and pop" resorts in the area. While we do concede that a room tax would help increase revenue for the short term, a high room tax will deter the type of visitor we cater too. The most common reason people chose to stay with us is the price, to add a possible \$80 (or more) to someone's bill for the week would drive some or our clients away, (and that is with only an 8% tax imposed). With this bill there could be a tax rate as high as 21.5% in this area. That would be devastating! Please take into consideration the effect this bill will have on the smaller, family owned resorts.

Thank you for your time,

Tony DeJoode
R&R Bayview Resort

Halverson, Vicky

From: Dick & Ramona Thearin [northland@cheqnet.net]
Sent: Tuesday, October 14, 2003 2:58 PM
To: rep.lehmanm@legis.state.wi.us
Subject: AB 404 concern

Dear Rep. Lehman,

I am concerned about AB 404 jeopardizing our future business here in Wisconsin. Since 1921 our family has welcomed tourists at Northland Lodge in Hayward. But now there is a disconcerting and confused message coming from the State Department of Tourism:

Governor Doyle sees us as the "recession-proof industry" he relies on for revenue and yet he has dramatically cut back aid to the industry. Adding an 8% room tax to our existing 5.5% state and county tax for our guests is dulling any competitive edge for such revenue. It is not possible to be the life blood of Wisconsin's economy while we and our guests we are being bled to death. Perhaps a 2% room tax is sustainable. But a better plan would be a Tourism tax instead of a room tax since of the \$140 million spent in tourism in 2002 in Sawyer County the most was received in food, the second in retail shopping and the third recreation and finally lodging (rooms being taxed exclusively)and transportation.

Please oppose AB 404.

Sincerely,
Dick and Ramona Thearin
Northland Lodge
9181 W Brandt Road
Hayward, WI 54843

10/14/2003

Halverson, Vicky

From: Mimi Binning [mimi@baymontwaupaca.com]

Sent: Tuesday, October 14, 2003 2:45 PM

To: rep.lehmanm@legis.state.wi.us

Subject: AB404

Dear Representative Lehman:

I understand the Assembly Ways and Means Committee is holding a hearing on AB404 (County Room Tax) on October 15, and while I cannot attend, I wanted to let you know of my concerns.

AB404 authorizes counties to impose yet another room tax of up to 8% on the rental of sleeping rooms. We already have a local room tax of 5% plus pay the 5% sales tax as well as a .5% county sales tax as well for a total tax on rooms of 10.5%. If an 8% county room tax were to be added to this, our guests would have to pay 18.5% on top of the actual cost of the room to stay at our property. That would put the room tax in Waupaca at a higher rate than some of the bigger cities in the United States. This bill would have a devastating impact on tourism in Waupaca as well as around the state. This bill will seriously hurt our business as well as the many business in our community that rely solely on tourism.

This tax would not help provide more funding for tourism promotion because the tourists will NOT want to visit an area with so high a room tax. They will look to the neighboring states such as Minnesota or Michigan where it will be much less expensive to stay.

In addition to this bill driving tourists away, the decision to approve the room tax will be in the hands of the county boards whom are facing budget shortages. What guarantee would there be that the counties would not use this money for things other than tourism.

Please support tourism in the State of Wisconsin by opposing AB404.

Sincerely,

Deb Johnson
General Manager
Baymont Inn & Suites
110 Grand Seasons Drive
Waupaca, WI 54981
715-258-6513 ext 502
715-258-0475 (Fax)



**Best Western
East Towne Suites**

4801 Annamark Drive
Madison, Wisconsin 53704
(608) 244-2020
Fax (608) 244-3434
For Reservations Call
1-800-950-1919

Chairman Lehman, Committee Members thank you for this opportunity.

My name is Scott Smith, I am at Best Western East Towne Suites Hotel in Madison, and have been there 14 years. I also live in Madison in Rep. Travis's district and currently Vice Chair of the Wisconsin Innkeepers Association.

I wanted to emphasize two points Trisha Pugal spoke of:

- 1) A typical guest coming into my hotel who has been quoted a \$79.00 rate would come to checkout the next morning and the bill would be \$96.00. He/she would ask "I thought I had been quoted a 79.00 rate and my desk clerk must explain that we have a 21.5% TAX. How many will come back???"
- 2) Let us remember that 53% of Wisconsin travelers are from WISCONSIN, so we are just raising taxes. The other 47% of travelers will not stay again where taxes are 21.5% unless they have to. While I enjoy serving the traveling members of the Assembly and Senate, I would appreciate having the opportunity to keep my other customers also.

Thank You for your time,

Scott V. Smith, CHA
310 5th St. Madison, WI



Serving the
Lodging Industry
for Over 100 Years

October 15, 2003

To: Assembly Ways and Means Committee
Representative Michael Lehman, Chairman

From: Trisha Pugal, CAE
President, CEO

RE: **AB404 County Room Tax**

The Wisconsin Innkeepers Association, representing over 1,100 hotels, motels, resorts, inns, and bed & breakfasts throughout Wisconsin, respectfully asks that you **strongly oppose AB 404**, a bill that would authorize counties to impose a county room tax of up to 8%.

Room Taxes in general were created as a way to have overnight travelers help to fund the direct services that they uniquely receive from a community (i.e. local tourism guides, local maps, toll-free tourist information centers, etc), with all of the room tax collected used for this purpose. Services provided to the community as a whole were to be funded by the community as a whole.

The promotion and support of tourism, funded by a reasonable room tax that does not serve as a deterrent to the traveler, helps to generate revenue for direct and indirect tourism businesses in the area. This could range from a hotel to a restaurant to a grocery store to a gas station to a gift shop to a Wal-Mart to a jeweler and the list goes on. Almost everyone in a community benefits in some way from a strong local tourism industry.

An overnight guest in Wisconsin currently may be taxed as follows, based on what community they stay in:

Milwaukee: 7% local room tax
2% county room tax (Wisconsin Center District)
5% state sales tax
.5% county sales tax
.1% county stadium sales tax
14.6% Total tax on sleeping room

Other Areas: 8% local room tax (maximum)
5% state sales tax
.5% county sales tax (maximum)
.1% stadium sales tax (five counties around Milwaukee)
13.6% Total possible tax on sleeping room

1025 S. Moorland Rd.
Suite 200
Brookfield, WI 53005
262/782-2851
Fax# 262/782-0550
wia@execpc.com
<http://www.lodging-wi.com>



AB 404 proposes to allow counties to add up to 8% more on the just noted taxes, which could result in a **total Room Tax of 21.6% - 22.6%** (even up to 23.6% if Milwaukee uses their authority to charge a 3% county room tax) **to be paid by the very customer we are trying to attract to our communities to spend money with our local businesses!**

As I will show in a graph noting room taxes around the country, the highest room tax in the country is currently 17%. With AB 404, Wisconsin could be noted as the **highest room tax state in the country**, which would be highly publicized by our competitors in other states. Excessive room taxes would destroy one of the top three industries in Wisconsin at a time when everyone is looking at ways to grow industries, not cripple and destroy them. The impact of passage of AB 404 would not only increase bankruptcies and the number of unemployed workers in our state, but the loss of sales tax revenue to the state would make it even more difficult to balance the budget than it is now.

There would be no “winners” if AB 404 passes. The tourism industry and its many partners would suffer tremendous losses, the state would lose considerable sales tax revenue, municipalities would see a dramatic reduction in their portion of local room tax revenues, and counties would have very little revenue to tax.

Please help to grow tourism in our state to help increase sales tax revenue for the state, instead of turning away travelers to other states more than happy to accept the travelers revenue.

Please oppose AB 404 and retain our ability to attract travelers to and within our beautiful state!

cc: WIA Board of Directors
Kathi Kilgore, WIA Contract Lobbyist



State of Wisconsin • DEPARTMENT OF REVENUE

2135 RIMROCK RD. • P.O. BOX 8933 • MADISON, WISCONSIN 53708-8933
PHONE (608) 266-6466 • FAX (608) 266-5718 • <http://www.dor.state.wi.us>

Jim Doyle
Governor

Michael L. Morgan
Secretary of Revenue

Assembly Committee on Ways and Means Hearing, October 15, 2003

AB 404 – Authorizing Counties to Impose a Room Tax (Hahn +2)

Description of Current Law and Proposed Change

- Current law permits any municipality to impose a tax on the privilege of furnishing at retail rooms or lodging to transients. The maximum tax rate is 8%, with a few exceptions for municipalities with a higher rate in effect on May 31, 1994. At least 70% of the revenues from any new taxes or tax rate increases imposed after May 31, 1994, must be used for tourism promotion and development. If the municipality is a member of a tourism commission, it must remit proceeds of the tax to that commission; otherwise, the municipality may retain the proceeds.
- Current law also allows local exposition districts to impose two room taxes. The only exposition district in the state, the Wisconsin Center Tax District formed by the City of Milwaukee, imposes a "basic" 2% room tax throughout Milwaukee County and an "additional" room tax of 7% in the City of Milwaukee (where the total room tax rate is 9%). While the City of Milwaukee may not impose the regular room tax, the other municipalities in the county can impose their own room taxes.
- The bill would permit any county to impose a room tax up to 8%. As provided in current statutes for municipalities, at least 70% of the revenues would have to be used for tourism promotion and development and the county would have to remit proceeds to a tourism commission if it is a member of such a commission. The county tax would be in addition to any municipal and exposition district room taxes.

Fairness/Tax Equity

- County imposition of room taxes could lead to combined state and local transactions taxes – sales and room taxes – in excess of 20%. Hotel and motel operators may consider such large taxes to be unfair.
- For example, in the city of Milwaukee, accommodations are subject to the 5% state sales tax, the 0.5% county sales tax, the 0.1% stadium district tax and the 9% basic and additional exposition district room tax, for a total tax of 14.6%. If Milwaukee County imposed a room tax up to the maximum allowed under this bill, the rate in the city of Milwaukee would be 22.6%.

- In the city of Madison, accommodations currently are subject to the state and county sales tax and an 8% city room tax, for a total tax rate of 13.5%. A Dane County room tax under this bill would raise the rate to 21.5%.
- The bill may be prompted by the desire of counties to diversify their revenue sources – especially for counties where tourism is a major part of the local economy. Under current law, the only revenue source that counties can use to directly tap into tourism is the county sales tax. The room tax would permit counties to generate additional revenues from tourism activities. The requirement that at least 70% of the proceeds must be used for tourism promotion and development could limit a county's willingness to levy a room tax.

Impact on Economic Development

- Wisconsin's combined state and local taxes on hotel and motel accommodations are already among the highest in the nation. Under this bill, Wisconsin's tax on transient lodging would be, by far, the highest in the nation, and much higher than the rates imposed in neighboring states.
- Based on data for 1999, the most recent available, Milwaukee's 14.6% rate was exceeded only by rates of 17% in Houston, 15.75% in Columbus, Ohio, 15.6% in Seattle, 15% in Detroit and 14.9% in Chicago. Rates in other cities in Wisconsin's neighboring states included 13% in St. Paul, 12% in Minneapolis and 12% in Des Moines.
- High combined tax rates on hotel and motel accommodations may make Wisconsin less attractive as a destination, thus damaging the competitiveness of the state's tourism and conference industries.

Administrative Impact/Fiscal Effect

- The revenue gain for counties could be as much as \$80 million. This estimate is based on the assumption that every county imposes the maximum 8% rate on a potential tax base of \$1 billion, estimated from U. S. Bureau of the Census, Department of Revenue sales tax and municipal room tax data.

DOR Position

- No position.


Prepared by: Daniel P. Huegel, 266-5705
October 14, 2003



22 EAST MIFFLIN STREET, SUITE 900
MADISON, WI 53703
TOLL FREE: 1.866.404.2700
PHONE: 608.663.7188
FAX: 608.663.7189

MEMORANDUM

TO: Honorable Members of the Assembly Committee on Ways and Means

FROM: Sarah Diedrick-Kasdorf, Senior Legislative Associate 

DATE: October 15, 2003

SUBJECT: Support for Assembly Bill 404

The Wisconsin Counties Association (WCA) supports Assembly Bill 404, which authorizes a county to impose a room tax, subject to the same 8% maximum tax that a municipality may impose.

Counties in Wisconsin are currently facing tough decisions as they begin the process of setting their budgets for 2004. Additionally, many counties, while not under a tax levy freeze, are up against their tax rate limit making it impossible to raise the revenue necessary to continue the wide array of services offered to the public by county government. Many services not mandated by the state are being eliminated statewide.

Various counties provide support to their local tourism agencies to promote tourism-related activities within their borders. Passage of Assembly Bill 404 will provide a revenue source for tourism-related activities to continue while freeing up property tax dollars for mandated services or for property tax relief. County governments across the state firmly believe it is important to be a partner in promoting their local area and believe investment in tourism is critical to the well-being of the local economy.

WCA appreciates the efforts of Representative Hahn in proposing one alternative to ease the burden on county property tax levies. WCA understands that some have expressed concern with providing counties the ability to add an additional 8% room tax on top of a room tax currently levied by a municipality. We are happy to work with the author of the bill and others to craft a piece of legislation that is amenable to all parties involved.

Thank you for considering our comments. Please do not hesitate to contact the WCA office if you have any questions.

Kraak, Maureen

From: Carrie Mitchell Podehl [cmitchellp@jvl.net.com]
Sent: Wednesday, October 15, 2003 7:23 AM
To: rep.lehmanm@legis.state.wi.us
Subject: AB 404 County Room Tax

opposed

Dear Representative Lehman,

I understand the Assembly Ways and Means Committee has scheduled a hearing on AB404 (County Room Tax) on October 15. I have a number of concerns regarding this bill.

AB404 would authorize counties to impose an additional room tax of up to 8% on the rental of sleeping rooms. This would be on top of the existing Madison room tax of 8%, as well as 5% State sales tax and .5% Dane County sales tax. This could cause the total tax on room rentals to go from 13.5% to as high as 21.5% - higher than any other city in the entire country.

Our State would have the reputation of having the highest tax on tourists in the entire country. Think of the advantage this would give tourism marketing entities in states like Illinois and Minnesota looking to entice visitors away from Wisconsin!

I am painfully aware that, because of cuts in State funding, county boards and local governments are scrambling to find every dollar they can in order to avoid drastic cuts or to provide the same level of service they have been; and a room tax looks very enticing to do that. But, by statute, at least 70% of new room tax must be used for tourism promotion, severely limiting the amount available for general fund purposes.

Also, if the tax rate is too high, no amount of tourism promotion is going to lure extra guests to the area.

Lastly, the tourism promotion portion of the room tax collections would require the creation of a county-wide tourism promotion entity with a board to oversee its operation and manage its spending. In most counties, this organization does not exist and the creation of one could compete with existing Visitor and Convention Bureaus. These start-up organizations could take many years of operation before they function effectively, while the higher tax rates would continue to drive tourists to areas that don't have such high tax rates.

Please consider these points as you consider this bill.

Sincerely,

Paul Podehl
17 Prescott Circle
Madison, WI 53719
(608) 661-4470

10/15/2003

Kraak, Maureen

From: Monona [monona_wi@americinnmail.com]
Sent: Wednesday, October 15, 2003 12:45 AM
To: rep.lehmann@legis.state.wi.us
Subject: Oppose county room tax for the state of Wisconsin

Dear Representative Lehmann

Please oppose the county room tax for the State of Wisconsin. This tax would hurt the state of Wisconsin as a tourism destination. No state in the country would have such an exorbitant total tax (city room tax + state (5%)sales tax + county (1/2%)sales tax).

Cordially Yours,

Jeff Machut

Kraak, Maureen

From: Doug Cameron [timberbay@cheqnet.net]

Sent: Sunday, October 19, 2003 11:18 AM

To: 'Rep. Frank Lasee'; 'Rep. Gene Hahn'; 'Rep. Jeffrey Wood'; 'Rep. Johnnie Morris'; 'Rep. Lehman'; 'Rep. Pedro Colon'; 'Rep. Robert Ziegelbauer'; 'Rep. Samantha Kerkman'; 'Rep. Steve Nass'; 'Rep. Suzanne Jeskewitz'; 'Rep. Terese Berceau'; 'Rep. Thomas Lothian'; 'Rep. Tom Hebl'; 'Rep. Wayne Wood'

Subject: Response to e-mail on room tax

Dear Representatives,

Some of you chose to respond to my e-mail and requested additional information to respond in full. I must reiterate that I wish our representative to oppose all or any room tax legislation that has an affect on Wisconsin's tourist industry (especially those of us with small fishing resorts) We can not hold on to this wonderfull industry when taxes and expenses make it impossible to continue and grow.

Those of you who wish to voice your thoughts on this. Send response or call/e-mail to:

Douglas D. Cameron

Timber Bay Resort

11020W Allan Rd.

Hayward, WI 54843

Ph: 715-462-3766

e-mail: timberbay@cheqnet.net



Called Wayne 10/21 to
say that the Com.
would not be executing
on 404

WISCONSIN INDEPENDENT BUSINESSES, INC.

111 South Hamilton Street, P.O. Box 2135

Madison, WI 53701 • (608) 255-0373

October 20, 2003

Representative Michael Lehman, Chairman
Assembly Committee on Ways & Means
P.O. Box 8952
Madison, WI 53708

re : AB 404

Dear Representative Lehman,

Wisconsin Independent Businesses is writing to renew our opposition to and express our serious concern over Assembly Bill 404. AB 404 creates a mechanism under which a county could establish a hotel/motel room tax of up to 8 percent. Because WIB believes there is no way to "improve" the bill, we urge the Committee on Ways & Means to oppose this legislation.

WIB's opposition to AB 404 is centered in our belief that the addition of a county room tax would make Wisconsin frightfully uncompetitive in the essential large group conference and convention market. Adding a county room tax to the state sales tax, county sales tax and municipal room tax would move the tax on the room rate to well over 20 percent. If a stadium or premier resort tax is added to the cost it makes the Wisconsin hotel even less competitive as they bid for conferences against hotels in other states.

Conventions and conferences are the lifeblood of our hotels for most of the calendar year in Wisconsin. They bring in people who spend money not only in the hotel but also throughout a community. Businesses and workers in many fields benefit from a conference or convention at a local hotel. We must encourage that business.

WIB is very aware of the difficulties faced by county governments as they attempt to provide needed services at a time of shrinking resources. But we believe strongly that AB 404 is an unacceptable solution.

Cordially,

Wayne Corey
Executive Director