

HF 3574/SF 2708: Cook County 1% Lodging Tax Renewal

Proposal

Cook County, Minnesota, is asking the State of Minnesota for a renewal of its additional 1% lodging tax for another 15 years. This is vital for its tourism organization, Visit Cook County, to continue to make investments that solidify and enhance community assets and tourism; brings wider awareness and supports visitor growth; provides jobs and economic opportunities in Cook County's No. 1 industry; and also provides locals with activities, events, music, arts and culture, contributing to a high quality of life.

Background

Visit Cook County (VCC) is the destination marketing organization that unites all of the Cook County tourism associations under one organization for the achievement of greater marketing efforts. The efforts of VCC are funded by lodging tax. An additional 1% lodging tax was approved by the State of Minnesota for Cook County in 2008 to fund local events and programming. With the 1% set to expire next year in November 2023, and after endorsement by the Cook County Board of Commissioners, we are asking the legislature for a renewal.

The investments that VCC has made with the revenues from the additional 1% lodging tax have had a significant impact on the tourism economy in Cook County. VCC has invested over \$3 million in event support since 2013, resulting in an estimated 37,500+ in visitor growth annually in just 10 high-impact events alone. This growth in visitors means restaurant orders, hotel room stays, gift shop purchases, and contributes to a very high quality of life in Cook County.

The 1% additional lodging tax expires in 2023. Due to VCC's fiscal year beginning in May, the lodging tax must be extended in 2022. Failure to extend the tax would be immediately felt countywide in November 2023, with a significant investment source in the county's No. 1 industry completely gone.

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