



CITY OF WIMBERLEY

CITY COUNCIL

Gina Fulkerson
Mayor

Rebecca Minnick
Mayor Pro-tem

Teresa Shell
Place 2
Jim Chiles
Place 4

Christine Byrne
Place 3
David Cohen
Place 5

FOR IMMEDIATE RELEASE

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WIMBERLEY, TX—A 7 percent Hotel Occupancy Tax (HOT) was approved unanimously by City Council on December 2, which will be effective April 1, 2022. At that time, the City will begin collecting the tax from lodging owners within the city limits and in the city's extra-territorial jurisdiction (ETJ). Lodging owners charge the tax as a separate line item to tourists who stay overnight.

"This is a tax on tourists - lodging owners just collect it and remit it to the city, like a sales tax," said Council Member Jim Chiles.

As noted in Council's Oct. 21 meeting, Wimberley was the only Texas tourist town that did not charge a Hotel Occupancy Tax. Neighboring smaller cities including Dripping Springs, Blanco, Johnson City and Boerne charge the tax at a rate of 7 percent, as do large cities including San Marcos, Kyle, Austin and San Antonio.

"All of these towns have been collecting this tax for years and spend the funds in compliance with state law and to the benefit of both lodging owners and their citizens," said Council Member Rebecca Minnick. "We have much in common with these towns and we can do the same."

In conjunction with approving the tax, the city is preparing a Request for Proposal (RFP) for a compliance company to ensure that all lodging facilities, including Short-Term Rentals, are counted and remitting the tax, said City Administrator Mike Boese.

Per the ordinance, the city will form a HOT Advisory Committee made up of lodging owners. The committee will make recommendations in collaboration with City Council, on how the funds are allocated, according to Boese. The city is currently taking applications for seven positions.



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Wimberley's HOT was previously enacted in 2015 at a 5 percent rate. The Council serving in 2018 repealed the tax. Approximately \$142,000 remained in the fund in 2019 and was allocated for the city's popular wayfinding signs. There are currently 11 signs installed and more are in work. The remainder have been earmarked for the visitor kiosk at the Oak Drive Hospitality Center, currently under construction.

Council has proposed plans to disburse the funds for signs, shuttle buses, visitor kiosks and a phone app for visitors to locate lodging, parking and attractions. Funds can also be used for support for the arts and historic preservation.

"Plans will be refined over the next several months and finalized in the 2023 budgeting process as the committee provides input and the funds begin to accrue," said Minnick.

Per Texas law, Hotel Occupancy Tax funds can be used for:

- Signage directing the public to sights and attractions frequently visited by tourists
- Certain transportation systems serving tourists and hotel guests
- Construction, maintenance and operation of a convention or visitor center
- Advertising and promotional programs to attract tourists
- Encouragement and promotion of the arts
- Historical restoration and preservation projects
- Qualifying sports facilities that routinely host regional or national tournaments; and coliseums or multiuse facilities
- For certain cities, sporting events for which the majority of participants come from out of town
- Facilities and personnel for the registration of convention delegates

To submit an application: go to <https://www.cityofwimberley.com/volunteer> or call (512) 648-2402.

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