



Please be aware that the Legislature amended RCW 67.28. The amendments became effective on July 1, 2013.

Pursuant to RCW 67.28, the City Council of the City of Fife may impose an excise tax (lodging tax), not to exceed 2%, on the sale of, or charge made for, the furnishing of lodging. In 2013, the Washington State Legislature amended RCW 67.28. The amendments, which are reflected in this guide along with continuing requirements, became effective on July 1, 2013.

Who can use lodging tax revenues?

Lodging tax revenues may be used:

- a. directly by a municipality;
- b. indirectly through a convention and visitors bureau; or
- c. indirectly through a destination marketing organization.

For what can lodging tax revenues be used?

Lodging tax revenues can be used for:

- a. Tourism marketing;
- b. Marketing and operations of special events and festivals designed to attract tourists;
- c. Supporting the operations and capital expenditures of tourism-related facilities owned or operated by a municipality; or
- d. Supporting the operations of tourism-related facilities owned or operated by nonprofit organizations.

What information must applicants for lodging tax revenues provide to Fife's Lodging Tax Advisory Commission?

Applicants that apply for use of lodging tax revenues must provide, to Fife's Lodging Tax Advisory Commission, estimates of how any moneys received will result in increases in the number of people traveling for business or pleasure on a trip:

- a. Away from their place of residence or business and staying overnight in paid accommodations;
- b. To a place fifty miles or more one way from their place of residence or business for the day or staying overnight; or
- c. From another country or state outside of their place of residence or their business.

How are recipients of lodging tax revenues selected?

Fife's Lodging Tax Advisory Commission selects the candidates from amongst the applicants applying for use of revenues. The Commission provides a list of such candidates and recommended amounts of funding to the City Council for final determination. The City Council can choose only recipients from the list of candidates and recommended amounts provided by the Lodging Tax Advisory Commission.

What are the statutory reporting requirements for recipients of lodging tax revenues?

All recipients must submit a report to the City describing the actual number of people traveling for business or pleasure on a trip:

- a. Away from their place of residence or business and staying overnight in paid accommodations;
- b. To a place fifty miles or more one way from their place of residence or business for the day or staying overnight; or
- c. From another country or state outside of their place of residence or their business.

What does “operation”, “tourism”, “tourism promotion” and “tourism-related facility” mean?

- a. “Operation” includes, but is not limited to, operation, management, and marketing.
- b. “Tourism” means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.
- c. “Tourism promotion” means activities, operations, and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding the marketing of or the operation of special events and festivals designed to attract tourists.
- d. “Tourism-related facility” means real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor that is used to support tourism, performing arts, or to accommodate tourist activities, and is owned by:
 - i. A public entity;
 - ii. A 501(c)(3) nonprofit organization; or
 - iii. A 501(c)(6) nonprofit organization that is a business organization, destination marketing organization, main street organization, lodging association, or chamber of commerce.

Note: Applicants for Lodging Tax funding must submit an application to the Fife Lodging Tax Advisory Commission by the deadline established by the Program Manager. The Lodging Tax Advisory Commission may require or allow applicants to make oral presentations to the Commission. Applicants must sign a Lodging Tax Award Contract. Recipients of funding must submit reports to the City in a form and with content as required by the Program Manager.