



January 1, 2023

RE: Notice of Local Hotel Occupancy Tax Rate Increase Pursuant to City Council
Adoption of Tax Levy Ordinance for Hotels and Short-Term Rentals

Dear Dallas Owner/Operator:

At a duly ordered special election on November 8, 2022, a majority of qualified voters of the City of Dallas cast votes in support of Proposition A ("Proposition A"): (1) designating the expansion of the Kay Bailey Hutchison Convention Center Dallas and certain improvements at Fair Park within the City of Dallas as venue projects and (2) designating the method of financing as a new hotel occupancy tax at the rate of two percent ("2% HOT Increase"). For your reference, a link to City of Dallas Ordinance No. 32255 and Proposition A are provided here:

<https://dallascityhall.com/government/citysecretary/elections/Pages/Nov2022.aspx>

On December 14, 2022, the Dallas City Council adopted the **2% HOT Increase** by Ordinance No. 32363, with an **effective date of January 1, 2023**. The local hotel occupancy tax ("local HOT") increased to 9% for all stays in hotels and short-term rentals within the City of Dallas on and after January 1, 2023. The 9% local HOT is in addition to the existing 6% state hotel occupancy tax ("state HOT"), and, for Dallas hotels with 100 or more rooms, is in addition to the Tourism Public Improvement District Fee of 2%.

The City of Dallas is adjusting its electronic remittance forms to include the 2% HOT Increase. Dallas owners/operators of hotels and short-term rentals, however, are responsible for adjusting the local hotel tax rate information on hotel/short-term rental websites, reservation systems, contracts, and any other tax rate related documentation, to reflect the 2% HOT Increase for stays in hotels and short-term rentals on or after January 1, 2023. Effective January 1, 2023 every "receipt" or "bill" for hotel charges must separately list the state HOT and the local HOT. Tex. Loc. Gov't Code § 334.256.

The information above was previously communicated via email to the email address on record for all registered hotels and short-term rentals.

If you have any questions, please call (214) 670-4855, (214) 671-8508, (214) 670-4540, or email hoteltax@dallascityhall.com.

Sincerely,

Jack Ireland
Chief Financial Officer