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Dear General Manager, Mayor and Councillors

Seeking support for a trial of a Tourism Accommodation Levy (Bed Tax)

Council is writing to seek your support for the State Government to establish an expression of interest process seeking submissions from Local Government Areas to act as trial locations for the implementation and management of a trial tourism accommodation levy (bed tax).

Though grateful for the jobs and economic opportunities that tourism provides; for a Shire with only 32,000 residents and just 15,000 ratepayers, Council and our community are straining under the enormous weight of an extra 2.1 million extra people a year (and greater growth expected to come).

There is a need to explore revenue raising options not currently available to us; as what is currently on the table is insufficient for our needs and fails our community. We need to explore and implement processes to raise revenue that go beyond simply requesting locals pay more. The recent special rate variation ensured locals were required to pay more for our infrastructure improvements and this is fair-to a point. The problem with raising the funds through special rate variations though, is once more our base community is funding all of the infrastructure upgrade and renewal. Council had no alternative but to seek revenue from locals, now, we need to obtain more financial support from the visitors who use our infrastructure to assist the community to work on Council's infrastructure back-log of \$40M.

A tourism accommodation levy (bed tax) has been used around the world for decades as a way to raise revenue from visitors in order to fund the infrastructure impacts by visitation. This tax/levy has had minimal negative impact on visitation numbers and/or expenditure.

We would welcome the opportunity to trial the implementation of a tourism accommodation levy in Byron Shire to assist in alleviating the stress placed on our local communities and infrastructure and seek your support.

I look forward to your response.

Kind regards

Simon Richardson MAYOR

