

**IMPARTIAL ANALYSIS BY CITY ATTORNEY
MEASURE G**

**City of Scotts Valley
Transient Occupancy Tax Increase**

This ballot measure, if adopted by City voters, would amend the Scotts Valley Municipal Code by raising the Transient Occupancy Tax (TOT) rate from the current rate of 11 percent to 13 percent. The Transient Occupancy Tax is a tax paid by hotel and motel guests who spend fewer than 30 consecutive days in a hotel or motel in the City. The tax is on the room rent paid. For example, a hotel guest currently pays \$11 tax per night on a \$100 hotel room. If the ballot measure is adopted, the hotel guest would pay \$13 tax per night on a \$100 hotel room.

All of the City's transient occupancy tax revenue is deposited into the City's General Fund and used to pay for City operations and programs, including police services, recreation, park maintenance, the repair of streets and roads, and other essential City services. This ballot measure therefore proposes a "general purpose tax" rather than a "special purpose tax" and requires a simple majority vote for adoption. Since many of the City's hotel/motel guests are non-City residents who are tourists or City visitors, much of the increased tax revenue generated by this measure, if adopted by the voters, would be paid by non-City residents. The tax revenue will underwrite the costs of providing municipal services to local visitors and City residents. A "Yes" vote will increase the tax from 11% to 13%. A "No" vote will leave the tax unchanged.

This ballot measure has been placed on the ballot by the Scotts Valley City Council.

Kirsten Powell

Kirsten Powell (Aug 12, 2026 13:16:44 GMT)

Kirsten Powell
City Attorney
City of Scotts Valley

Measure G Impartial Analysis 2026

Final Audit Report

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