

DRAFT

TEXT OF BALLOT

QUESTION

Shall the City Council of Lake Havasu City be authorized to levy a transaction privilege tax (commonly known as TRANSIENT OCCUPANCY TAX) in an amount equal to four percent (4%) (*Current Transient Occupancy Tax is 3%*) of the gross income from LODGING RENTS from the business activity of any hotel engaging or continuing within the City in the business of charging for lodging and/or lodging space furnished to any transient FOR A PERIOD OF UNDER THIRTY (30) CONSECUTIVE DAYS effective no earlier than January 1, 2010; such tax to be in addition to all transaction privilege taxes now levied by the City, with the proceeds to be accounted for in a separate fund for the promotion of tourism within Lake Havasu City, the allocation of which will be determined by the City Council on an annual basis during its budgeting process; the accumulation and expenditure of such tax proceeds for said purposes shall be exempt from the limits imposed on spending by Article IX, Section 20 of the Arizona State Constitution?

A "YES" vote for this question will have the effect of increasing the current transient occupancy tax (bed tax) from 3% to 4%. IF YOU FAVOR THE ABOVE QUESTION, VOTE "YES."

A "NO" vote for this question will have the effect of maintaining the current transient occupancy tax (bed tax) at 3%. IF YOU OPPOSE THE ABOVE QUESTION, VOTE "NO."

YES

NO