



OFFICIAL MEMORANDUM

PURPOSE: Tourism Improvement District Formation
RECIPIENTS: City of Mobile Hotel Partners
SENDER: Kent Blackinton, President of Mobile Area Lodging Association
DATE: June 10, 2020

Dear Hotel Partner,

After many years of work and collaboration within our entire hotel community and the City of Mobile, the Tourism Improvement District Ordinance was finally adopted by the Mobile City Council on May 19th, 2020. This letter will provide details and actions to be taken at all hotels within the city limits of Mobile.

- Beginning on July 1st, 2020 a \$1 per occupied room night will be added to all folios.
- The assessment should be labeled "Tourism Assessment" on the folio.
- Tax exempt guests are still assessed and responsible for paying the fee.
- Remittance will be monthly and will be reported through the City of Mobile Electronic Portal (**NOT My Alabama Tax**).

Attached is a comprehensive FAQ sheet to help you through this process. Along with a list of all hotels that are required to assess the fee. If there are any questions regarding any of the formalities or documentation in regards to the Tourism assessment, please find all the corresponding documents on MobileAreaLodging.com/MALC.

This is an important and innovative step all in an effort to increase lodging and visitors to Mobile. Please feel free to reach out for any questions.

FAQ

- When does this take effect?
 - Assessments will begin on July 1, 2020, and last through May 31, 2025.
 - The first payments will be due as you pay your July taxes in August of 2020.
- Are there any exceptions to the assessment?
 - On any stay of over 31 days, the assessment is not assessed provided the first 30 days were assessed. There are no refunds for the first 30 days.
 - If your hotel has less than 40 rooms, or outside of the city limits of Mobile, you are not to assess the fee.
 - Comp Rooms are not assessed the fee.

- Can I change the wording of the assessment?
 - No, for consistency it needs to read as “Tourism Assessment” on the folio with the additional taxes and fees.
- How do we pay the assessment?
 - Remittance will be an additional line/filing labeled TID.
 - The assessment due date and penalty date will be the same as the Lodging Tax.
 - For assistance, please contact City of Mobile Revenue Department at 251-208-7462.
- Is the assessment subject to any taxes?
 - No, the assessment is not taxable.
- Do I have to participate?
 - Yes, this is a new city ordinance passed on May 19th, 2020.
- Where does this money go?
 - The Mobile Area Lodging Corporation will manage and decide how all monies are spent marketing our destination.
 - This corporation’s board is derived from hotel owners and representatives through a vote of the entire district.
- What happens next?
 - The most important next step is to elect a board to serve as the governing body of the Corporation.
- What if I have an existing contract?
 - The fee should still be assessed as a part of the existing taxes and fees clause.

There will be more information to follow but please feel free to ask any questions so that we can help in any way. I look forward to entering this new and exciting step into our future.

Sincerely,



Kent “Spike” Blackinton
President, Mobile Area Lodging Association
Direct: 251-415-3075

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P.S. For questions directly related to the City of Mobile Revenue Department please call 251-208-7462.