



Proposition no. 1 information:

The City of Gustavus is proposing changing sections 04.14.030 and 04.15.030 of our ordinance. Each currently references not adding retail sales tax to the room tax. The city is proposing to add the 3% sales tax to the 4% room tax for a total of 7% tax on all room rentals. The purpose of increasing tax revenue is to negate some of the effects due to changes in State and Federal funding. The State and Federal funding sources have been decreasing over the last decade, in some cases drying up entirely. This change to our ordinance would allow Gustavus to be more self-sufficient and financially viable, moving into the future.