



NOTICE OF POSSIBLE CITY OF DOUGLAS SALES/USE TAX INCREASES

The City of Douglas is proposing changes to the City of Douglas Tax Code. The proposed City Tax changes includes a 1.0% increase to the City Sales/Use Tax rate from 2.8% to 3.8%. The proposed change will tentatively be brought forward at the June 12, July 10 and August 14, 2019 City Council Meetings. If approved, these changes will go into effect **October 1, 2019**. The proposed increase in Sales/Use Taxes will affect taxpayers in purchases involving advertising, amusement, contracting, feed at wholesale, job printing, manufactured buildings, timbering, metal mining, publication, hotels, commercial rental, rental of personal property, restaurant and bars, retail sales, retail sales food for home consumption, MRRRA, communications, transporting, utilities and use tax. The City is also considering a 1.0% increase from 1.8% to 2.8% on retail sales on single items over \$10,000 affecting large retail purchases such as vehicles totaling \$10,000 or more. An increase of 1.0% in hotel/motel bed tax from 2.0% to 3.0% impacting visitors staying at hotels less than 30 days at a time is also being considered.

There will be an opportunity for public comments regarding the proposed changes to the City of Douglas Tax Code, at a Public Hearing on June 12, 2019 at 5:00pm and at the Call To the Public during the June 12, July 10 and August 14, 2019 City Council Meetings at 6:00 p.m. at City Hall 425 10th Street. If you have any questions or comments, please contact Luis Pedroza, Finance Director, at (520) 417-7333.

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