To Whom It May Concern:

I am writing this letter to express my support for an amendment to KRS 90A.400, to allow cities that were once third-class cities to be able to choose to enact a restaurant tax. With the advent of Home Rule several years ago, these cities are now stuck in a financial purgatory in regards to being able to develop their tourism and downtowns. While their tourism commissions can use the transient (hotel) tax, that tax is a mere fraction of the amount generated by restaurants. Additionally, when COVID developed, the transient tax completely disappeared for an extended period of time, while the restaurants were able to adapt and survive. Commissions funded by both suffered minor losses, while the ex-third-class cities suffered tremendous losses, because of the lack of folks traveling.

The use of the restaurant tax is critical for downtown and tourism development. This letter is not advocating for the tax itself, rather for the simple right for these ex-third-class cities to have the choice. There are instances in life where a level playing field is unattainable and you can chalk it up to life not being fair. But this problem is fixable with an amendment to KRS 90A. Even now, there are cities in the Kentucky League of Cities list that would be ineligible for a restaurant tax with an updated census. They prosper while cities of similar size who are not on the KLC list cannot. Cities that have 8,000-19,999 people are still small towns, and still deserve the ability to choose the avenue of tourism development with the help of a restaurant tax. They deserve to be able to pursue progress on a level playing field, and that is not the case currently.

Thank you for your time and consideration.

Cordially,

(Your Name Here)