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Subject: HB 1554 and SB 1045

Concerns Regarding Proposed 2.5% Tax Increase on Hotel Services

House Ways and Means and Senate Budget and Taxation Committee,

I am writing to express my deep concern regarding the proposed 2.5% tax increase on hotel services and the significant negative impact it would have on our industry. As a key contributor to the local economy, our hotel—and the hospitality sector as a whole—relies on competitive pricing, strong occupancy rates, and efficient operations to sustain jobs, drive tourism, and contribute to the community.

A tax increase of this nature would directly affect our bottom line, making it more challenging to maintain affordability for guests, particularly in an increasingly price-sensitive market. Travelers—both leisure and business—often make decisions based on total costs, and higher taxes could deter them from choosing our city as a destination, ultimately leading to lower occupancy rates and decreased revenue.

Additionally, this increased financial burden would put pressure on our operational budget. Rising costs without offsetting revenue growth could force difficult decisions, such as reductions in staffing, scaled-back services, or delays in necessary renovations and improvements that keep our property competitive. Such impacts would not only affect our team members but also diminish the guest experience, potentially leading to decreased repeat business and negative long-term economic effects.

As an advocate for a thriving local tourism economy, I urge you to reconsider the implications of this tax increase and explore alternative solutions that do not jeopardize the health of the hospitality industry. We welcome the opportunity to collaborate on policies that support sustainable growth for both businesses and the broader community.

Thank you for your time and consideration. I would appreciate the opportunity to discuss this matter further and provide additional insights on how we can work together to ensure the continued success of our local tourism industry.

Sincerely,



Bridgette Sloan

General Manager

Sonesta Select Columbia