Paying for the Privilege . . . to Stay in Bridgeton

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After staying overnight in Jefferson City last week, I awoke to find my hotel bill laying on the floor in front of the door. For those who travel frequently, this is not an unusual sight. It also isn't unusual to spot a line item that tells you how much you have to pay because of the city or county's hotel tax. Sometimes that amount is relatively miniscule, other times it can be quite large. If the Bridgeton City Council gets its way, for guests of Bridgeton, it will be the latter.

Hotel taxes are not an uncommon occurrence in
Missouri. In fact, the Show-Me Institute's [Sales Tax Fast Facts](https://showmeinstitute.org/blog/taxes-income-earnings/paying-privilege-stay-bridgeton) pamphlet has 17 entries for cities/counties with a hotel/occupancy tax, and that list is by no means exhaustive. As you can see, hotel tax rates can range from 3 percent in Hermann to 12.25 percent in Hazelwood. In most cases, visitors to Saint Louis County [pay the same hotel tax rate](http://www.stltoday.com/news/local/metro/bridgeton-joins-st-ann-in-authorizing-special-tax-distric) (7.25 percent) because of the countywide pool which, among other things, goes to pay off construction costs for the Edward Jones Dome.

The Bridgeton City Council, however, wants more hotel taxes to go directly to them. The council placed a proposal on the [April ballot](https://showmeinstitute.org/sites/default/files/uploads/2015/04/bridgeton-hotel.jpg) that will raise its hotel tax from 85 cents a night to three dollars a night. I can see why this would be an attractive option. Many people who stay in hotels are not residents of the city/county where the tax is imposed. For politicians and residents alike, getting others to pay for city services sounds like a good idea. However, just because a city can extract revenue from visitors, doesn't mean it should.

Hotels already pay commercial property taxes and the Saint Louis County property tax surcharge (the highest in the state). They have to pay business licensing fees, and guests already have to pay the city and county sales tax. Why does Bridgeton need to levy even more taxes? Is it because it [keeps relying on TIFs](https://www.stltoday.com/news/local/metro/bridgeton-joins-st-ann-in-authorizing-special-tax-distric)? Maybe Bridgeton should stop giving away special handouts and broaden their tax base instead of shrinking it and relying on higher rates to make up for lost revenue.

I highly doubt I will ever stay in a Bridgeton hotel, so when I wake up in the morning, the effects of this proposal won't be staring me in the face. However, city residents should ask themselves whether they want to approve a tax increase, no matter who it may hurt.

### About the Author

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Michael Rathbone was a policy researcher at the Show-Me Institute. He is a native of Saint Louis and a 2008 graduate of Saint Louis University, where he earned a bachelor of science degree in biomedical engineering.

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