CITY ATTORNEY'S IMPARTIAL ANALYSIS
CITY OF MONTEREY PARK
MEASURE XX
TRANSIENT OCCUPANCY TAX

Measure XX would adopt an ordinance amending the City's transient occupancy tax ("TOT"). If approved, Measure XX would adjust the TOT for hotel and motel guests from 13% to 14% and the TOT for short-term rental guests from 13% to 16%.

A TOT is a charge to each person (or "transient") added to the bill when staying in a hotel, motel, or short-term rental for 30 days or less. Operators collect the TOT from transients for the City and remit the revenue to the City. Hotel, motel, and short-term rental operators do not pay TOT; this tax is only paid by persons staying at those lodging establishments.

The City currently charges a 13% TOT, which is estimated to generate $4.5 million for fiscal year 2026-27. Public documents estimate that the proposed TOT amendments would generate approximately $600,000 total in additional annual revenue. The City may use the additional revenue for any general governmental purpose.

The Monterey Park City Council placed Measure XX on the ballot.

To be adopted, Measure XX must be approved by a simple majority of City of Monterey Park voters.

A "YES" vote approves the TOT increase.

A "NO" vote opposes the TOT increase.

/S/ Karl H. Berger City Attorney

[TOTAL WORD COUNT: 233]

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