



DOOR COUNTY TOURISM ZONE COMMISSION  
Administrator's Report  
January 2020

**2019 "NO REPORTS":**

- The number of **August 2019** "No reports": On 10/15/19 there were sixty-seven (67) owner-managed properties and one (1) agent-managed property to report for a total of sixty-eight (68) properties to report for August 2019. (68 properties for August 2018)
  - As of 11/14/19 there were still twenty-four (24) properties to report.
    - A final notice was mailed 11/14/19 with a deadline of 12/2/19.
  - As of 12/12/19 there are seven (7) to report. (2018 down to 4)
  - As of 1/8/2020 there are three (3) to report. (2019 down to 3)
- The number of **September 2019** "No reports": On 11/15/19 there were seventy-three (73) owner-managed properties to report for September 2019.
  - As of 11/27/19 there were forty-six (46) to report.
  - As of 12/12/19 there are twenty-five (25) to report. (2018 down to 15)
  - As of 1/8/2020 there are eight (8) to report. (2019 down to 11)
- The number of **October 2019** "No reports": On 12/12/19 there were ninety-eight (98) owner-managed properties and ten (10) properties to report for agent managed properties for a total of one hundred and eight (108) properties still to report. (63 properties for October 2018)
  - As of 1/8/2020 there are twenty-five to report. (2019 down to 24)
- The number of **November 2019** "No reports": On 1/7/2020 there were seventy-eight (78) owner-managed properties and fourteen (14) properties to report for agent managed properties for a total of ninety (90) properties still to report. (65 properties for January 2019)
- **UNPAID TAX/FEES/PENALTIES:** The total outstanding due 1/8/2020 is: \$4,816.00 from twelve (12) permit holders. (\$1,889.91 in 2019)

First Notice	Second Notice	Third Notice	ACH REJECT	Attorney	Settlement/ Payment Plan	Collections
\$ 26.51	\$ 56.52	\$ 9.51	\$ 480.36	\$ 542.96	\$ 26.31	\$ 27.14
\$ 4.26	43.91	\$ 11.35	\$ 298.82	\$ 128.18	\$ 59.22	
\$ 25.15	\$ 93.82	\$ 320.39	\$ 178.30	\$ 297.70		
	\$ 32.26	\$ 415.72	\$ 261.73	\$ 56.82		
	\$ 30.22	\$ 27.37	\$ 138.69	\$ 90.11		
		\$ 7.76	\$ 102.05	\$ 478.78		
		\$ 3.54		\$ 523.08		
		\$ 17.46				
\$55.92	\$256.73	\$813.10	\$1,459.95	\$2,117.63	\$85.53	\$27.14
\$4,816.00	Total Outstanding					

- **PERMITS:** As of 1/8/2020 – Five (5) permits were issued – One (1) was permitted as a result of compliance efforts.
  - Six (6) permits were issued during the same period of 2019
  - As of 1/8/2020 there are 1,261 permits (1262- December 2019/ 1261 November 2019/ 1260 October- 1254 September- 1232 August-1238 July)
  - Property Type Codes: (50) Hotel/Motel, (51) Resort, (52) Inn, (53) Condo, (54) B&B, (56) Cottage/Cabin/Home, (59) Other.

1. City of Sturgeon Bay (59) – seasonal – compliance
2. Town of Egg Harbor (56) – year-round

3. Town of Egg Harbor (56) – year-round
4. City of Sturgeon Bay (56) – year-round
5. Town of Egg Harbor (556) – year-round

*Marketplace Provider Audits have not been completed as of 1/8/2020 due to WIS ACT 10 going into effect and preparation for the Ways and Means Hearing. These audits will be completed and posted to the website the week of January 12th- 18<sup>th</sup> - [link](#) to audit publishing page on the Tourism Zone website.*

► **2019 WIS ACT 10** – Items included in the packet:

- Communication (12/19/19) sent to municipalities.
  - There has been no response and/or questions from any of our nineteen (19) member municipalities.
- At the same time, I requested municipalities to add an agenda item to draft a formal letter of support for AB683.
  - The Town of Liberty Grove has an agenda item for their next meeting.
- I also reached out to local marketing/business associations and requested it a formal letter of support for the Lodging Marketplace Bill (AB683)
  - Door County North has provided a formal letter of support.
  - Baileys Harbor Community Association has provided a formal letter of support.
- Action Sheet for AB683 – please feel free to use this as a guide to discuss and cultivate support for the Lodging Marketplace Bill (AB683)

→ **REMOVED PROPERTIES 12/13/19 TO 1/8/20**

Municipality	Permit #	Removed	Lodging Name	Lodging Address	Owner	Reason for Removal
Town of Jacksonport	15-56-0526-00	12/18/19	Gergens Beach House	6498 STH 57	Alice Gergen	Husband passed away – no longer renting
Town of Egg Harbor	08-53-0945-00	12/26/19	Landmark Resort – Carson	4929 Landmark Dr #3334	Fred Carson	Sold.
Town of Egg Harbor	08-53-1700-06	12/26/19	Horseshoe Bay Club Houses	5280-5282 Horseshoe Bay Road	Horseshoe Bay Club Houses Owners Assoc	Admin – changed mgmt. companies. Now individual permits (new #2242)
Town of Gibraltar	12-53-2124-00	12/26/19	Northhaven #31004	3701 S Northhaven #31004	Kristi Pennerberg et al	Property sold.
Town of Baileys Harbor	02-56-1693-00	12/30/19	BHDC	7645 Stone Ridge	Tim Raduenz	Property Sold.
Town of Liberty Grove	32-56-1250-00	12/30/19	Door County Lakefront Cottage - Christell	1900 Hillside Drive	Diane Christell	No longer renting.
Town of Gibraltar	12-53-1647-10	12/30/19	Birch Grove Condominium #6 - Flaeschel	9374 Birch Grove CT #6	Bonnie Flaeschel	No longer renting

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## BY PROPERTY REPORT:

November 2019					
Type	Revenue	Units Available	Units Filled	% Occupancy	ADR
Hotel/Motel (50)	\$291,857.57	14,186	3,052	21.51%	\$95.63
Resort (51)	\$731,389.21	36,757	6,502	17.69%	\$112.49
Inn (52)	\$99,945.36	3,817	682	17.87%	\$146.55
Total Commercial	\$1,123,192.14	54,760	10,236	18.69%	\$109.73
Condo (53)	\$166,439.29	6,377	1,627	25.51%	\$102.30
Bed & Breakfast (54)	\$66,281.14	1,962	375	19.11%	\$176.75
Cottage/House/Cabin (55/56)	\$326,874.53	11,632	1,657	14.25%	\$197.27
Other (59)	\$2,797.64	-	-	0.00%	\$0.00
Total Non-Commercial	\$562,392.60	19,971	3,659	18.32%	\$153.70
TOTALS	\$ 1,685,584.74	74,731	13,895	18.59%	\$121.31
November 2018					
Type	Revenue	Units Available	Units Filled	% Occupancy	ADR
Hotel/Motel	\$374,555.79	16,048	4,106	25.59%	\$91.22
Resort	\$817,007.34	35,941	7,159	19.92%	\$114.12
Inn	\$96,548.00	3,739	707	18.91%	\$136.56
Total Commercial	\$1,288,111.13	55,728	11,972	21.48%	\$107.59
Condo	\$166,259.86	6,076	1,544	25.41%	\$107.68
Bed & Breakfast	\$77,438.52	1,965	428	21.78%	\$180.93
Cottage/House/Cabin	\$295,945.37	11,172	1,466	13.12%	\$201.87
Other	\$0.00	0	0	0.00%	\$0.00
Total Non-Commercial	\$539,643.75	19,213	3,438	17.89%	\$156.96
TOTALS	\$ 1,827,754.88	74,941	15,410	20.56%	\$118.61
Analysis * these are at month end reports not year end re-run comparison					
Type	Diff YOY \$	DIFF UNITS	DIFF FILLED	DIFF OCCUP	DIFF ADR
Hotel/Motel (50)	(\$82,698.22)	-1,862	-1,054	-4.08%	\$4.41
Resort (51)	(\$85,618.13)	816	-657	-2.23%	(\$1.63)
Inn (52)	\$3,397.36	78	-25	-1.04%	\$9.99
Total Commercial	(\$164,918.99)	-968	-1,736	-2.79%	\$2.14
Condo (53)	\$179.43	301	83	0.10%	(\$5.38)
Bed & Breakfast (54)	(\$11,157.38)	-3	-53	-2.67%	(\$4.18)
Cottage/House/Cabin (55/56)	\$30,929.16	460	191	1.13%	(\$4.60)
Other (59)	\$2,797.64	0	0	0.00%	\$0.00
Total Non-Commercial	\$22,748.85	758	221	0.43%	(\$3.26)
TOTALS	\$ (142,170.14)	(210)	(1,515)	-1.97%	\$2.70
Still to report for November as of 1/8/2020					
Hotel/Motel (50) 8					
Resort (51) 3					
Inn (52) 2					
Condo (53) 11					
B&B (54) x 3					
Cottage/Cabin/Home (56) 62					
Other (59) 1					
Total to Report: 90					



K Roberts <info@doorcountytourismzone.com>

## Update on Lodging Marketplace Legislation

Door County Tourism Zone <info@doorcountytourismzone.com>

Thu, Dec 19, 2019 at 3:12 PM

Bcc: Bill Weddig <bweddig1@gmail.com>, Cathy Ward <3rdofalice@gmail.com>, "Dannhausen, Myles" <Mrdannhausen@gmail.com>, "beau.bernhof@sisterbaywi.gov" <beau.bernhof@sisterbaywi.gov>, "Boston, Mary" <mboston2897@charter.net>, Fred Anderson <fred@ashbrooke.net>, Jim Nellen <jimnellen@townofsevastopol.com>, "Johnson, Mike" <mike@countryovens.com>, "Larson, Jeff" <jlarson@thelandmarkresort.com>, "LeClair, Elizabeth" <sgrigger@dcwis.com>, Linda Elmore <ljelmore1972@gmail.com>, Linda Wait <lindadwait@gmail.com>, "Moneypenny Jack" <jack@doorcounty.com>, Nancy Robillard <nrobillard920@gmail.com>, "Nelson, Bryan" <bryan@theblacksmithinn.com>, Pam Seiler <pam@sturgeonbay.net>, Richard Young <mayorich3999@gmail.com>, Ryan Heise <rheise@villageofeggharbor.org>, "Skare, Dick" <dickska@gmail.com>, Amy Sacotte - Town of Gardner <togclerk@townofgardner.org>, Baileys Harbor <admin@baileysharborwi.org>, Beth Hagen - Gibraltar <clerk@townofgibraltar.us>, Bud Kalms - Liberty Grove <libertygrove@gmail.com>, Clerk - Town of Clay Banks <townofclaybanks@gmail.com>, Clerk - Town of Egg Harbor <clerk@townofeggharbor.org>, Clerk Jacksonport <jtownclerk@jportfd.com>, Clerk- Town of Sevastopol <office@townofsevastopol.com>, Deputy Clerk <deputyclerk@baileysharborwi.org>, Heidi Teich <Heidi.Teich@sisterbaywi.gov>, Janal Suppanz - Vill of Sister Bay <janal.suppanz@sisterbaywi.gov>, JoAnn Neinas - Brussels <jonein789@centurytel.net>, Lynn Ohnesorge - Village of Egg Harbor <lohnesorge@villageofeggharbor.org>, Megan Vandermause <mvandermause@villageofeggharbor.org>, Nancy Anschutz - Town of Sturgeon Bay <nanschutz@yahoo.com>, Nasewaupee <nasewaupeeclerk@gmail.com>, Rena LaLuzerne - Union <laluzerne@centurytel.net>, Stephanie Reinhardt - City of Sturgeon Bay <sreinhardt@sturgeonbaywi.org>, Valerie Carpenter - Town of Washington <townoffice1@washingtonisland-wi.gov>, Valerie Carpenter - Town of Washington <townoffice@washingtonisland-wi.gov>, Village of Ephraim Andrea Collack <acollak@ephrain-wisconsin.com>, Village of Forestville <villageclerk@centurylink.net>, "Ruth Kerscher - Forestville (Town)" <clerk@forestvilletown.com>, Brent Bristol <bbristol@ephrain-wisconsin.com>, "doogie@5yaks.com" <doogie@5yaks.com>, Joe Wautier <bevjoewautier@gmail.com>, "Johnson, Mike" <mdj920@gmail.com>, Paul Peterson <townofeggharbor@newwis.com>, "chair@forestvilletown.com" <chair@forestvilletown.com>, Jon Koch <togchairman@townofgardner.org>, "Skare, Dick" <rska@gmail.com>, Randy Halstead <halsteadfarms@aol.com>, "twilso2010@yahoo.com" <twilso2010@yahoo.com>, John Lowry <jlowry@libertygrove.org>, Steven Sullivan <nasewaupeeclerk@gmail.com>, "danwoelfel@townofsevastopol.com" <danwoelfel@townofsevastopol.com>, Town Of Sevastopol Supervisor 1 <lindawait@townofsevastopol.com>, Brian Renard <brenard16@gmail.com>, Chair Washington Island <chairman@washingtonisland-wi.gov>, John Heller <jheller@villageofeggharbor.org>, "mcnulty.terry@gmail.com" <mcnulty.terry@gmail.com>, Mike McCutcheon <mmccutcheon@ephrain-wisconsin.com>, Dave Lienau <dave.lienau@sisterbaywi.gov>, "sbmayor@sturgeonbaywi.org" <sbmayor@sturgeonbaywi.org>, Josh Van Lieshout - City of Sturgeon Bay <jvanlieshout@sturgeonbaywi.org>, Sandy Rice <sandy@spearity.com>, Rob Zoschke <rob@ycsb.com>, Dave Eliot <dsteliot@ppulse.com>

Good afternoon,

Please find attached from DCTZC Chair, Josh Van Lieshout, an update regarding WI ACT 10 and a request for a formal letter of support for the Lodging Marketplace bill that we have been working on with Representative Kitchens. Also attached is the bulletin that went out to all DCTZC permit holders regarding WI ACT 10 on Monday December 16th, 2019.

We ask that you add an agenda item to your next scheduled meeting to approve sending a formal letter of support for the [Lodging Marketplace Bill](#) to:

**Representative Kitchens** -Office of Rep. Joel Kitchens - 1st Assembly District - 10 West - PO Box 8952 - Madison, WI 53708-895 - [Rep.Kitchens@legis.wisconsin.gov](mailto:Rep.Kitchens@legis.wisconsin.gov)

**The Wisconsin Towns Association** -W7686 County Road MMM, Shawano, WI 54166  
- wtowns@wisctowns.com

**The League of Municipalities:** 131 W Wilson Street, Suite 505, Madison, WI 53703  
Phone: 608-267-2380  
In-State: 800-991-5502  
Fax: 608-267-0645  
[league@lwm-info.org](mailto:league@lwm-info.org)  
[witynski@lwm-info.org](mailto:witynski@lwm-info.org)

Now is the time for member municipalities to get involved and assist in helping us push the legislation over the finish line. Legislators, the League and the Towns Association need to hear from all of you; we need their support. If you could copy the Tourism Zone when you submit your formal letters of support, we'd appreciate it. Also attached is the draft bill, LRB4224 and information distributed by the League of Wisconsin Municipalities regarding the Lodging Marketplace bill. Thank you for your continued support.

Sincerely,

Kim Roberts  
Administrator  
Door County Tourism Zone Commission  
P.O. Box 55  
10568 Country Walk Lane Unit 102  
Sister Bay WI 54234  
920.854.6200

[www.doorcountytourismzone.com](http://www.doorcountytourismzone.com)  
[info@doorcountytourismzone.com](mailto:info@doorcountytourismzone.com)

Office hours: Monday - Friday 8 AM -4 PM

To file your room tax online: <https://inline.com//RoomTax/newlogin/>



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5 attachments

muni update legis and 2020 final 12-19-19.pdf

156K



**12-10-19 initial notice act 10 to permit holders.pdf**

169K



**19lrb4224.pdf**

55K



**Door County Tourism Zone Commission Mail - Bill makes it easier to collect room taxes from Airbnb.pdf**

468K



**Door County Tourism Zone Commission Mail - Rep. Kitchens Nov. 29, 2019 E-Update.pdf**

1667K



The Honorable Office of Representative Joel Kitchens  
1st Assembly District 10 West  
PO Box 8952  
Madison, WI 53708

Dear Honorable Mr. Joel Kitchens,

I am writing to inform you why Lodging tax is important to my community. As the community coordinator for Door County North, the business association for the Town of Liberty Grove, including the communities of Ellison Bay, Rowleys Bay, and Gills Rock, the lodging tax allows our local business association and the town to invest in the communities which they call home by creating jobs, contributing to the local and state economies, and encouraging community development.

The Lodging tax:

- Is vital support for annual events organized and managed by LOCAL, Not for profit organizations such as the Gills Rock fireworks, the Liberty Grove Historical Society, Ellison Bay Service Club, and Door County Secret Santa.
- Allows Door County North to invest in visitor outreach through the operation of the Welcome Center, 7 days a week mid May through late October. This year the Welcome center served almost 4,000 visitors during that period.
- Provides funds for the Door County North to employ a year round Community Coordinator who manages the Welcome Center which employs four people who live full time in our community and contribute to our year round economy. In addition, the Welcome Center provides a year round FREE wifi connection vital to many residents and visitors.
- Insures that Door County North and the communities it serves, has a marketing and outreach budget to support the businesses, not for profit organizations and attractions, and annual events in our communities.
- Protects dollars needed by the town for improving community infrastructure improvement projects.

Thank you for sponsoring legislation that will require the market places to go beyond the zip code as the only identifier as to where and how much of the tax is collected and insure the fair and accurate distribution of Door County's lodging tax to the appropriate municipalities.

Sincerely,  
Mickie Rasch  
Community Coordinator  
Door County North  
PO Box 10  
Ellison Bay, WI 54210  
920-854-4450





Baileys Harbor Community Association

PO Box 31 Baileys Harbor, WI 54202

920.839.2366

[info@baileysharbor.com](mailto:info@baileysharbor.com)

January 8, 2020

To Whom it may concern,

I am writing to you to express my gratitude for the proposed legislation on the Lodging Tax distribution matter. We greatly appreciate the efforts of the Tourism Zone Commission and Kim Roberts to collect and distribute the room tax to our communities. It helps every community in Door County as we have such a seasonal industry but a year-round population, tax base and economy to maintain.

The Town of Baileys Harbor uses their portion of tax to better the community in many aspects. Some of these projects include investing in our marina, dog park, my organization (BHCA) and several others.

- Being the only marina north of Sturgeon Bay on Lake Michigan means that we are a safe harbor for vessels trying to escape bad weather. Our fishing industry is the strong boasting three charter boats, a commercial fishing business and a ton of pleasure boaters. We also have a lighthouse cruise and kayak tours that call the marina home.
- The BHCA wears two hats including both the Designated Marketing Organization for the town and a civic organization for events like weekly concerts, farm markets & yoga in the park. We run the Visitor Center, oversee the marketing/brand of Baileys Harbor and organize all the festivals and community events. The Room Tax Collections are crucial to us being able to host these great events and really spread the Baileys Harbor message far and wide. We are receiving roughly 40% of the Room Tax Collections remitted back to the Town of Baileys Harbor.
- The Dog Park, Public Lands, Recreational Park and Town Parks all receive money from the Room Tax Collections depending on the year for improvements. Recently, there was an 18-hole disc golf course installed on the newly purchased 40-acre parcel with hopes of attracting tournaments to Door County. The Dog Park is used by visitors and residents year-round providing a great place to meet people while in town. Visitors and locals alike enjoy our public lands, beaches and water accesses made possible by contributions by the Town.

Thank you for recognizing that the funds are greatly important to each municipality. We rely on this money to help make our community better every day. For us to continue going as we are, it is imperative that the marketplaces are broken down further than just the zip code. Many communities will suffer if they don't.

Thank you,

Brynn Swanson – Community Coordinator



DOOR COUNTY TOURISM ZONE COMMISSION  
PO Box 55, Sister Bay, WI 54234  
920-854-6200, Fax: 920-854-9019  
E-mail: [info@doorcountytourismzone.com](mailto:info@doorcountytourismzone.com)  
Website: [www.doorcountytourismzone.com](http://www.doorcountytourismzone.com)

This email was sent to permit holders on 1-3-2020

*Dear Permit Holder,*

The effective date of the 2019 WI ACT 10 legislation has now passed and we want to keep the lines of communication open. We sent a communication to you on [December 16<sup>th</sup>, 2019 with an initial bulletin](#) to prep you for possible changes. To date no additional information has been provided from marketplace providers or their registered agents to the Tourism Zone Commission.

Today, some of you have reported that you have been notified by VRBO/Homeaway that they have commenced collecting local municipal room tax. We encourage you to seek out this email in your inbox and or dashboard. If you didn't receive it, please contact VRBO/Homeaway.

As the consumer utilizing and doing business with your marketplace provider, now is the time to use the tools available to you through your marketplace provider to determine if local municipal room tax is being collected on your behalf. If they are collecting both State Sales Tax and Local Municipal Room tax, you will see 11% collected on the Lodging Taxes line (5.5% Local municipal room tax + 5.5% State Sales Tax = 11%).

This is an important reminder of your responsibility to insist that VRBO gets this process correct for you and that they are following State law. We don't want to see our permit holders face tax liabilities because they didn't review their accounts with their online lodging marketplace provider.

Link to help article: [https://help.vrbo.com/articles/What-is-lodging-tax?utm\\_campaign=VRBO\\_FPM\\_53557\\_REL\\_OPR\\_DSH\\_LEG\\_LILA\\_2001&utm\\_medium=email&utm\\_source=Adhoc&haEternalSourceId=407249d6ec644f1fac0b77666f50a493#one](https://help.vrbo.com/articles/What-is-lodging-tax?utm_campaign=VRBO_FPM_53557_REL_OPR_DSH_LEG_LILA_2001&utm_medium=email&utm_source=Adhoc&haEternalSourceId=407249d6ec644f1fac0b77666f50a493#one)

If you call in to your marketplace provider for support, please ask to be escalated to a supervisor or better yet, someone in the taxation department. Please don't count on accurate information from front line customer service.

**ACTION REQUIRED: If you determine that local municipal room tax is being collected for your property, now is the time to review your settings, description details and rates. If you were collecting local municipal room tax via a special fee or as part of your nightly rate, please adjust accordingly.**

More information is forthcoming as it becomes available. In the meantime, be diligent, aware and be organized for 2020. We know you will have questions and require support. This communication is to assist you with how to be prepared, aware and responsible for your online listings with various [marketplace providers](#) as Wisconsin ACT 10 takes effect.

You can reach the Tourism Zone office at 920.854.6200 or  
email: [info@doorcountytourismzone.com](mailto:info@doorcountytourismzone.com)

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## Bill aims to clarify room-tax allocations for Airbnb, Vrbo renters in Wisconsin

By [Myles Dannhausen Jr.](#), December 31st, 2019

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**UPDATE:** *This article has been updated to include a statement from Airbnb that was emailed to the Pulse.*

A bill proposed by Rep. Joel Kitchens aims to ensure that room-tax collections in the state, and particularly in Door County, are remitted to the correct municipality.

When Door County enacted its [5.5 percent room tax](#) and formed the Door County Tourism Zone in 2007, one of the zone's primary selling points was that 30 percent of the tax would go back into the coffers of the municipality in which it was collected.

For 12 years, the tax has helped municipalities to pay for roads, sidewalks, visitor centers and other public amenities to the tune of more than \$16 million. But now Airbnb and Vrbo – the online lodging marketplaces that have disrupted the hotel industry during the last decade – are adding the tourism zone to the list of disrupted entities.

In July, the Wisconsin Legislature passed a new requirement that lodging marketplaces must collect sales and room taxes on behalf of their users as of Jan. 1. Those marketplaces have indicated that they intend to remit those collections by zip code, not municipality.



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In Door County, that presents a problem because zip codes overlap municipal boundaries. Much of Liberty Grove, for example, is in the 54234 zip code, which would be remitted to the Village of Sister Bay. That makes it impossible to know whether each municipality is getting its proper share of room taxes.

Online marketplaces now represent 75 percent of lodging permit holders, 25 percent of available rooms and nearly 30 percent of all room-tax collections. Many traditional hotels and resorts, such as the Landmark Resort, have rooms listed on the online marketplaces.

Kitchens has brought forward Assembly Bill 683, which would require entities that are subject to the room tax to include certain identifying information when filing their returns, such as the addresses and total taxes collected for each property. In the event that a marketplace company does not submit the required room-tax returns in a timely fashion or neglects to pay its taxes, a municipality would have the ability to impose a forfeiture of up to \$500 per day, to a maximum of \$45,000 per year. Municipalities would also be able to waive any forfeiture if an appeal takes place.

The bill is now in the hands of the Assembly's Ways and Means Committee. Kitchens said he's pushing for the committee to move it to the Assembly quickly for a hearing. The League of Wisconsin Municipalities has endorsed Kitchens' legislation.

Kirsten Lee Villegas, president of the Wisconsin Hotel and Lodging Association, said the organization hasn't taken an official position on the legislation.

"We do believe it contains positive steps toward ensuring that municipalities and the tourism industry as a whole receive the proper amount of room tax from lodging marketplace providers such as Airbnb and Vrbo," she said in an email to the *Pulse*. "It would also hold lodging marketplace providers more accountable for collecting and remitting room tax with a more accurate method of tracking by a property's physical address. We have worked with Rep. Kitchens on this statewide legislation and look forward to continuing to improve it as it moves forward."

"We need to push it quickly because we don't have much time this session," Kitchens said. "It shouldn't be that controversial, but hotels don't like it because they don't want to have to give up information to their tourism commissions."

Tourism Zone Commission Chair Josh VanLieshout said the commission has identified a temporary work-around: The zone will collect the tax from lodging marketplaces in a separate reserve fund. Each permit holder will file a monthly return with the Tourism Zone Commission and designate what the lodging marketplace collected on its behalf. Then it will be dispersed according to the room-tax data and the history on file.

"We can't reconcile the information because the marketplace providers refuse to provide that information specifically, and we can't force them to," VanLieshout said, so this approximate solution will have to suffice for now.

"It's a big hassle," VanLieshout said. "We really don't know how much more time this is going to take us."

The alternative would be to hold the 30 percent until the issue is resolved. That would be \$2 million by the end of the year.

“You can imagine how towns might respond to that,” VanLieshout said.

Ultimately, permit holders are responsible for paying the tax appropriately, not the online marketplace. That has operators such as Jerry Connor concerned.

“It could be a pure and utter nightmare,” said Connor, who, with his wife, Martina, rents five properties in Baileys Harbor and Fish Creek. “As an owner, I’m petrified about what’s going to happen about funds getting misapplied to the wrong places.”

Connor said it’s unclear how they’ll reconcile last-minute cancellations or add-ons in regard to tax collections, which could put property owners at loggerheads with the tourism zone.

“If the OTA remits improperly, then I have to go and reconcile the tax,” Connor said. “It will fall on us. It’s getting to the stage where it’s becoming an arduous exercise.”

VanLieshout said Kitchens has been responsive to the problem and helpful in pushing the zone’s concerns forward. The legislation is crucial because there has been little response from Airbnb and Vrbo.

Airbnb responded to questions about the tax payments with the following statement:

“While we are reviewing this proposed legislation, Airbnb is proud to be a partner of the State where we have collected and remitted millions of dollars in taxes on behalf of our hosts and uniquely formed collection agreements with multiple municipalities.”

“These companies are so big, Door County’s issues don’t concern them,” VanLieshout said. “The whole geographic part of their business is based on zip codes.”

Tech companies such as Airbnb famously operate in the ethos of Facebook founder Mark Zuckerberg: “Move fast and break things.” For regulators and especially small municipalities, it can be hard to keep pace.

“It’s fascinating how quickly an industry can change, and how long it can take for regulators to catch up,” VanLieshout said. “For a hotel and motel, you have to go through a lot of stuff. Then all of a sudden you get this boom in single-family homes being for rent, and you can see it’s exponential. But I don’t think any agency has added inspectors to try to deal with the number of added homes for rent.”

## Related Organizations



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[Door County Tourism Zone Commission](#)