



Economic Dashboard

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Tourism Marketing District (TMD) Vs. Transient Occupancy Tax (TOT/Bed Tax)

Empowering Laguna Beach: Transforming Tourism and the Arts

The **Laguna Beach Tourism Marketing District (LBTMD)**, formerly the Business Improvement District (BID)*, was developed to fund activities that promote tourism and related tourist events. The LBTMD is a **2% self-assessed fee paid by visitors** staying at Laguna Beach lodging establishments. Of the 2% collected, half goes to the arts of Laguna Beach (Laguna Art Museum, Laguna College of Art + Design, Laguna Playhouse, Arts Commission Special Projects, and Cultural Arts Funding) and the other half goes to Visit Laguna Beach to develop and market Laguna Beach as a leading travel destination to potential overnight visitors.

Fueling Laguna's Future: How TOT Powers Progress

The **Transient Occupancy Tax (TOT)**, also referred to as the **bed tax**, is also paid by overnight visitors and totals 12%, which is **collected in its entirety by the City of Laguna Beach** and is placed in their general fund. Overnight visitors to Laguna Beach lodging properties generated over **\$15.4 million in TOT revenues** for the City of Laguna Beach. Of that amount, **\$2 million was related to Measure LL**, the 2% tax that was voted on, and approved, by Laguna Beach residents in 2016. This revenue source is also paid for in its entirety by overnight hotel visitors to the destination.

Laguna Beach's Thriving Economy: Attracting Millions and Boosting Revenue

Attracting visitors to the community is economic development, and, over six million annual visitors chose Laguna Beach to spend their time and money. Total direct visitor spending totaled **\$556.6 million**, and equally important, was the **\$17.8 million visitor-generated local taxes** for the local government.

*The Business Improvement District (BID) was established in 2001 under the "Parking and Business Improvement Area Law of 1989." In 2020, this assessment was updated and converted to the "Property and Business Improvement District Law of 1994."

