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SUBJECT: Tourism Tax Allocation application opens BY: Kate Van Daele, Public Information Officer

Tourism Tax Allocation application opens

[Duluth, MN] For the third straight year, the City of Duluth has opened an application process to allocate tourism taxes to local nonprofit organizations. The form went live on July 31st and will close on August 23rd, 2019.

Applicants asking for funds must answer a series of questions, provide financial information, and provide a report (if funded before) on how funds were used in that last year and what their impact was.

"We initiated this process to provide clarity, transparency, and accountability for the use of these public dollars," Mayor Larson said. "Our goal is to make sure that visitors have a positive experience in Duluth and for our residents to enjoy these amenities too. It is critical to be good stewards of these investments and to be clear with our intent and expectations of those who receive these funds."

Duluth attracts approximately 6.7 million visitors annually. In 2018, the City of Duluth collected \$12.1 million in tourism taxes, which were spent in ways that align with the legislative intent to support Duluth's tourism economy. Twenty-one entities applied for tourism tax allocations, and seventeen received funding.

Community Day events, launched in 2018, provides free or significantly reduced rate single day admission to attractions and funded programs for local residents. Any organization receiving funding for 2020 tourism tax will be required to participate in these events.

"Community Day events provide a true value to city residents, who also support these attractions by paying into food and beverage taxes," Mayor Larson said. "Providing free access to residents allows them to enjoy many of the great assets that Duluth has all year long."

In 2018, over 15,000 Duluth residents participated in Community Day events. The impact from 2019 events will be reported on in the fall.

Applications can be found at https://duluthmn.gov/finance/tourism-tax-allocation/.

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