

“When is a New Tax a Good Tax?”

I feel certain that after seeing the title of this column, some readers will immediately state, “that’s an oxymoron...you can’t use ‘good’ and ‘tax’ in the same sentence.” Allow me to explain. Almost every county in the state as well as the majority of Alabama towns and cities have what is known as a ‘lodging tax.’ Abbeville and Headland have a 4% and 5% lodging tax respectively. The City of Dothan just received more than \$340,000.00 in lodging taxes in April alone (and over \$2M so far this fiscal year. If you have ever stayed in a hotel, rented a condo at the beach or rented something similar on line through Airbnb or Vrbo, you’ve paid a local lodging tax. From our research, we’ve determined that approximately 85% to 90% of these type rental properties in Henry County are rented by citizens from outside Henry County – many of them from out of state. These are the ones who would pay the lodging tax – very few Henry County citizens will be subjected to it. It's important to note that 100% of the funds generated by a lodging tax would go toward Henry County economic development – funds that would be used to help create jobs, assist existing companies to retain employees and have had an overall positive effect in our county.

A couple of years ago, Rhonda Harrison, Henry County Economic Development Director, and former State Representative Dexter Grimsley were well on the way to getting lodging tax legislation passed. Changes brought on by the 2022 local election placed the legislation on hold. Mrs. Harrison recently began the process with our new State Representative, Rick Rehm. Representative Rehm has continued to help us with the legislative process. He asked that the Henry County Commission first unanimously adopt a resolution requesting that he introduce this as a local bill. It was unanimously passed by the Commission in our March 21, 2023 meeting. One point in the proposed legislation has changed. It will now require a local referendum. When I asked Representative Rehm about this change, he reminded me that he ran on the platform of no new taxes. While I do thank him for his assistance and appreciate his candor and intent to follow up on campaign promises, I asked him if he might reconsider. I’ve always been an advocate of letting citizens vote on new taxes that would affect their budget but this is a tax of a different nature. Representative Rehm and I had a good discussion about the benefits of this bill and how it would be beneficial to the citizens of Henry County. He agreed but stated he would still like for this to be voted on by the people.

I would not be in favor of holding a special election – this would cost the county almost as much as the first year’s receipts. As the bill is now written, it will be placed on the March 5, 2024 ballot. The negative in postponing the legislation is Henry County will miss out on about \$20,000.00 of revenue if we have to wait an extra year for it to become law. This is legislation that we ask you to support. If you have any questions, please feel free to reach out to me, to Mrs. Harrison, to Representative Rehm or to any board member of the Henry County Economic Development Authority.

30 Day Review:

- Probate activity for March: three wills probated, four administrations, two final settlements, six miscellaneous hearings, two guardianships, two involuntary mental commitments, one name change and nine marriage certificates recorded
- If your last name begins with 'H' or 'O', May is your month to renew your tags.
- April 7 – ALEA finished the setup for drivers' license renewals in the Herndon Building.
- April 8 – We met with SE Health about the possibility of a stand-alone emergency room in Abbeville in the near future.
- April 13 – Henry County Commission Administrative meeting – Herndon Building
- April 14 – Two probate staff members were in Montgomery for election training.
- April 18 – Henry County Commission meeting – Annex Courtroom
- April 18 – Jimmy Rane was installed into the Dothan Business Hall of Fame.
- April 21 – Retirement reception of Sam Clenney
- April 26 – ACCA board meeting in Montgomery
- April 28 – Wiregrass Forum breakfast in Ozark
- April 28 – Henry County Student Government Day – Courthouse and Herndon Building
- May 2 – ACCA 'County Days' legislative meeting in the Alabama Statehouse
- May 4 – I was honored to be the speaker at the Ozark/Dale County prayer breakfast.
- May 4 – HCEDA board meeting and Abbeville Chamber luncheon
- May 5 – I attended the Wallace College Scholar Donor Appreciation brunch.
- May 8 – Meeting with the board chairs of the Abbeville and Headland libraries
- May 9 – HCYLP Class VIII Commencement banquet – Abbeville Methodist Church
- May 11 – Henry County Commission Admin. meeting – Herndon Building – 10:00

Dates to Remember:

- May 16 – Henry County Commission meeting – Annex Courtroom – 10:00
- May 16 – Meet with JMR+H regarding jail renovations
- May 18/19 – Jimmy Rane Foundation Event - Montgomery

