

Re: Sacramento Tourism Marketing District (STMD) Assessment Rates

Dear Tax Manager and Owners:

The Sacramento Tourism Marketing District 2024-01 (STMD) was initially established in 2012 pursuant to the Property and Business Improvement District Law of 1994 (California Streets and Highways Code section 36600 et seq.) by the Sacramento City Council. It was renewed in 2017 and 2024 and is set to expire June 30, 2034.

The current annual assessment rate for the STMD is a percentage of gross short-term sleeping room rental revenue on lodging businesses within the STMD (varied by benefit zone). The current annual assessment for each zone is: Zone 1: 3.45%, Zone 2: 2.875%, Zone 3: 2.30%, and Zone 4: 1.15%. Please see the enclosed map of the STMD and benefit zones.

The STMD Management District Plan provides that the STMD Committee (“Committee”) may increase the assessment rate up to the maximum allowable rates for each zone as specified in the MDP. On May 20, 2026 the Committee voted to increase the rates to the following: Zone 1: 4.00%, Zone 2: 3.33%, Zone 3: 2.66%, and Zone 4: 1.33%. **The revised assessment will go into effect on August 1, 2026.**

The City of Sacramento will continue to collect the assessment on a monthly basis (including any delinquencies, interest, and overdue charges) from each assessed business located in the boundaries of the STMD. If you intend to pass this assessment on to your guests, please begin collecting it on August 1, 2026.

The amount of assessment passed on to the guest must be separately stated from the amount of rent charged and any other applicable taxes, and each guest must receive a receipt for payment. If the STMD assessment is identified separately it shall be disclosed as the “STMD Assessment.” As an alternative, the disclosure may include the amount of the STMD assessment and the amount of the assessment imposed pursuant to the California Tourism Marketing Act, Government Code §13995 et seq. and shall be disclosed as the “Tourism Assessment.” The assessment is imposed solely upon and is the sole obligation of the assessed lodging business even if it is passed on to transients.

Additional information on the STMD can be found at <https://www.visitsacramento.com/about-us/stmd/>. If you have any questions regarding payments or the assessment, please call Brittany Chargualaf at (916) 808-5669.

STMD Boundary Map

Sacramento Tourism Marketing District (STMD)

