



To: Mayor and Town Council Members

From: Mark C. Meyers, Town Manager

Date: July 9, 2026

Subject: .5% Additional Resort Tax

Background

As discussed during FY 2027 budget meetings, I'm proposing that the Town consider increasing the Resort Tax by an additional .5 % as allowed in State law. This would be added to the currently levied 1% (plus .10%, if approved by resolution) and would require an election. This is one of the steps that would help balance the operating budget by providing an estimated \$150,000 annually. If approved by Town voters in the upcoming fall election, the amount of additional revenue this fiscal year would be half, or \$75,000. This estimate is not appropriated in the adopted budget, pending the outcome of an election.

Town Council discussed this matter during budget discussions, and the consensus has been to move it forward.

Recommendation

The action requested of the Council is to authorize the election and approve the ballot language, which has been reviewed by the Town Attorney, at the July 21, 2026, regular meeting.

VIRGIN, UTAH
Resolution No. R2026-

A RESOLUTION OF THE TOWN COUNCIL OF VIRGIN TOWN, UTAH, CALLING FOR AN ELECTION TO SUBMIT TO THE QUALIFIED ELECTORS OF VIRGIN TOWN THE QUESTION OF IMPOSING AN ADDITIONAL ONE-HALF PERCENT (0.5%) RESORT COMMUNITIES SALES AND USE TAX PURSUANT TO UTAH CODE SECTION 59-12-402; APPROVING THE BALLOT PROPOSITION; AND DIRECTING THE TOWN CLERK TO TAKE ALL NECESSARY ACTIONS RELATED THERETO.

WHEREAS, Virgin Town is a resort community as defined by Utah law; and

WHEREAS, Utah Code Section 59-12-402 authorizes eligible municipalities, upon approval of the voters, to impose an additional Resort Communities Sales and Use Tax of up to one-half percent (0.5%); and

WHEREAS, the Town Council has determined that additional revenues generated by the tax would assist the Town in providing municipal services and addressing the impacts of tourism and visitation; and

WHEREAS, the Town Council finds it to be in the best interest of the residents of Virgin Town to submit the question of imposing an additional one-half percent (0.5%) Resort Communities Sales and Use Tax to the qualified electors of the Town at the next municipal general election.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF VIRGIN, UTAH, THAT:.

Section 1. Election Called.

The Town Council hereby calls for the submission of the following proposition to the qualified electors of Virgin Town at the Municipal General Election to be held on November 3, 2026, or at such other election date as permitted by law.

Section 2. Official Ballot Proposition Approved.

The following Official Ballot Proposition is hereby approved and shall be submitted to the voters in substantially the following form:

PROPOSITION ____

“Shall Virgin Town, Washington County, Utah, increase the Resort Communities Sales and Use Tax rate by an additional one-half percent (0.5%), as authorized by Utah Code Section 59-12-402, to be collected on taxable transactions within Virgin Town?”

FOR the additional 0.5% Resort Communities Sales and Use Tax increase

AGAINST the additional 0.5% Resort Communities Sales and Use Tax increase

Section 3. Notice and Election Administration.

Resolution R2026-
Adopted: July 21, 2026

The Town Clerk is authorized and directed to coordinate with the Washington County Clerk and all other appropriate election officials to provide all notices, filings, certifications, and other actions required by law to place the proposition on the ballot and conduct the election.

Section 4. Effective Date.

This Resolution shall take effect immediately upon adoption.

ADOPTED AND PASSED by the Town Council of Virgin Town, Utah, this 21 day of July, 2026.

By: _____
Jean Krause, Mayor

Attest: _____
Krystal Percival, Town Clerk/Recorder

<u>Vote</u>	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>
Jean Krause, Mayor	☐	☐	☐
Paul Luwe, Council Member	☐	☐	☐
Valerie Wenz, Council Member	☐	☐	☐
April McKeon, Council Member	☐	☐	☐
Jim Kietzman, Council Member	☐	☐	☐

RECORDED this _____ day of _____ 2026

PUBLISHED or POSTED this _____ day of _____, 2026.

CERTIFICATE OF PASSAGE AND PUBLICATION OR POSTING

In accordance with Utah Code Annotated §63G-30-102 as amended, I, the Town Clerk/Recorder of Virgin, Utah, hereby certifies that the foregoing Ordinance was duly passed and published or posted via Class A Notice at:

- 1) Utah Public Notice website
- 2) Virgin Town website, www.virgin.utah.gov
- 3) Virgin Town Hall

Krystal Percival, Town Clerk/Recorder
Virgin Town, Utah

Resolution R2026-
Adopted: July 21, 2026