

**Highlands County
Board of County Commissioners Agenda Item**

Date of Action Request: February 3, 2026

Presenter: Leah Sauls, Development Services Director, Casey Hartt, Lead Marketing Consultant

Subject/Title: Statement of legislative intent authorizing the return of Tourist Development Tax collection duties from the Florida Department of Revenue to the Highlands County Tax Collector's office.

Statement of Issue

Historically, the Highlands County Tax Collector collected the Tourist Development Tax (TDT) on behalf of the County. During that period, the Tax Collector's Office was able to provide supplemental reporting, including breakdowns of TDT collections by zip code, as well as assistance with education and outreach to lodging operators regarding compliance with TDT requirements. This level of detail and local support enhanced the County's understanding of where tourism activity was occurring and helped improve overall compliance.

In or around 2018, the Tax Collector's Office transitioned to a software system that was not compatible with TDT administration, which necessitated moving TDT collection responsibilities to the Florida Department of Revenue. While the Department of Revenue provides statewide collection services, its reporting does not include detailed origin data such as geographic source (zip code) or accommodation type. As a result, the TDC has had limited insight into where TDT revenue is being generated within Highlands County.

The Highlands County Tax Collector has since implemented a new software system that is capable of supporting TDT collections. With this capability restored, the TDC proposes returning TDT collection responsibilities to the Tax Collector's Office in order to:

1. Obtain more detailed and localized data regarding the source of TDT collections, including zip code and type of lodging; and
2. Allow the Tax Collector's Office to provide education, outreach, and limited compliance assistance to ensure that all lodging operators required to collect and remit TDT in Highlands County are doing so.

Under this arrangement, the Tax Collector's Office would receive a service fee equal to three percent (3%) of TDT collections, consistent with statutory allowances. The TDC believes that the enhanced data, improved local education efforts, and increased compliance opportunities will provide value that outweighs the associated administrative

cost.

The TDC voted in favor of returning TDT collections to the local Tax Collector's office at their October 30, 2025 Quarterly Board Meeting.

Recommended Action

Move to direct staff to draft an ordinance authorizing the return of Tourist Development Tax collection duties from the Florida Department of Revenue to the Highlands County Tax Collector's office.

Fiscal Impact

The fiscal impact is a three percent (3%) service fee on Tourist Development Tax collections, to be paid from Fund 152 (Tourist Development Trust).

Attachments:

None