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Director Committee Report

Director name: Roy Blume

Committee name and position on Committee : Local Government Forum - Member

Committee meeting date and time: May 1st, 2014 9:45 - 11:20am

Please list the top 3 items discussed at your meeting and the eventual outcome, if applicable:

- Item discussed: GAD Subcommittee Report

Outcome achieved: GAD's update on local involvement

- Item discussed: Vacation Rentals

Outcome achieved: How resort rentals are taxed and regulated

- Item discussed: Business License Tax

Outcome achieved: Some cities are still seeking tax revenue from RE agents for selling properties in their cities. Most cities are OK with broker based taxes and not RE agents.

Please summarize your meeting in one paragraph:

Our local GAD Chip gave report on how instrumental GAD's can be with respect to local real estate issues. The funds are available from IMPAC and RPAC to

support candidates in local elections that support real estate and home owners rights.

There was discussion on local cities seeking tax revenue from RE agents selling homes in their cities. Many cities are accepting the brokers office being taxed as opposed to all/any RE agents. Each city is deciding on business tax on it's own needs. Not all cities will subject agents to this tax.

The vacation rental is a hot topic in most resort areas. Our local mountain resorts and Palm Springs are in the mix. There is discussion to impose an additional 1.5% tax on private property (furnished unit) to create revenue. If you furnished your rental with for example \$50K worth of furniture you would be taxed on the \$50K value in addition to all other taxes. There are also fees for compliance code for noisy renters.