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Travel & Tourism

# South Florida tourism leaders push back on hotel tax revenue bill



Miami Beach aerial view, Florida, USA.

LISA-BLUE



By [Cortney Danielle Moore](#) – Reporter, South Florida Business Journal  
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### Story Highlights

- Florida bill proposes redirecting hotel tax revenue from tourism.
- Tourism leaders warn of potential job losses and economic impact.
- Supporters argue bill offers counties flexibility and economic diversification.

A proposed bill in the Florida Legislature that would reshape how counties use hotel tax revenue is sparking debate across the state, particularly in tourism-heavy areas like South Florida, where local leaders worry about potential ripple effects on jobs and marketing efforts.

House Bill 1221, filed by Rep. Monique Miller (R), seeks to redirect much of the state's Tourist Development Tax revenue (TDT), which is currently used to fund tourism marketing, infrastructure and events, toward property tax relief and broader public spending. The tax is collected on short-term lodging stays like hotel rooms and vacation rentals.

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Supporters say the bill is about fairness and flexibility. In many inland or rural counties, local governments receive TDT tax revenue but see little direct benefit from tourism – leaving them with limited options on how to spend those funds under current law.

### HB 1221: What's proposed?



Law books and gavel

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Under HB 1221, counties would still be allowed to fulfill current tourism-related commitments, such as paying off debt on stadiums or visitor centers, but they could not renew those contracts.

Once those obligations are complete, at least 75% of any remaining TDT revenue would be used to reduce local property taxes. The rest could be spent on any public purpose, such as infrastructure, public safety or local services.

The bill would also dissolve county tourism development councils unless reauthorized and require public reapproval every eight years for any tourism promotion agency that continues to receive hotel tax revenue.

Rep. Miller has not yet responded to the *Business Journal's* request for comment on her motivations behind the proposal. Approved by the Florida House on April 23, the bill will now be reviewed by Senate committees, potentially amended, and could then be voted on by the full Senate. The timeline for final passage and potential signing by the Governor is not yet determined.



## South Florida industry group concerns

Tourism leaders in South Florida – where visitors generate billions in local spending – are pushing back against the bill, warning that it could undermine one of the state’s largest industries.



Milton Segarra

LAUREN LIEBERMAN / LILA PHOTO

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“Tourism is the lifeblood of Florida’s economy,” said Milton Segarra, president and CEO of Discover The Palm Beaches. He argued that the TDT, which is paid by visitors, not residents, is reinvested to draw more tourists, generating jobs, boosting local businesses and funding public services.

“With 655,933 residential and commercial properties in our county, a reduction of property taxes amounts to about a \$5.25 reduction per \$10 million property tax cut for a property based on the median home value,” Segarra said. “In

contrast, every Florida household is currently saved \$1,910 in taxes per year since tourism is one of the reasons why the Sunshine State remains state tax-free.”

Segarra noted Palm Beach County attracts 9.9 million visitors and supports 90,000 jobs, which contributes over \$10 billion to the local economy. He warned that cutting tourism funding could harm jobs and infrastructure, potentially leading to long-term economic consequences for the state’s tourism industry.

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In Miami-Dade County, Curtis Crider, president and CEO of the Greater Miami & the Beaches Hotel Association, said the bill could threaten over 200,000 tourism-supported jobs and diminish the area's status as a global travel destination.

“For every dollar invested in tourism promotion, we see \$63 in economic impact,” Crider said. “The TDT does its job and does it well.”



Image: South Florida Business Journal

Miami Skyline, Cityscape

JOCK FISTICK / SOUTH FLORIDA BUSINESS JOURNAL

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In addition to advertising, TDT funds are also used for infrastructure that benefits both tourists and residents, including beach restoration, shoreline protection, park maintenance, cultural venues, tourism-related roads and public safety during high-traffic events.

Critics of the bill warn that these investments could also decline over time, particularly in smaller coastal communities that rely on such funding for year-round services.

### **A nuanced picture**

Not everyone sees the bill as a threat. Raul Gastesi of Miami-based Gastesi Lopez Mestre & Cobiella, a municipal attorney whose law firm represents cities like Miami Lakes and Doral, said the proposal reflects a legitimate shift in priorities, particularly in communities seeking economic diversification beyond tourism.

“Some localities such as Miami Beach and Fort Lauderdale have made efforts to shift away from reliance on tourism, especially the spring break crowd, and are actively working to attract more local and family-friendly engagement. These areas may be less concerned about cuts to tourism marketing,” he said. “For counties still dependent on tourism, the impacts may be more serious. But this bill doesn't prohibit tourism promotion, it just requires that voters reauthorize it periodically.”



The view from Fort Lauderdale Beach - downtown Fort Lauderdale, Fort Lauderdale skyline, Fort Lauderdale Beach, intercostal waterway.

JOCK FISTICK

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Gastesi added that the proposal gives counties a choice: keep funding tourism agencies with public support, or redirect tax dollars to more pressing local needs, like infrastructure or housing.

He said that the bill aligns with Florida's broader economic goals of diversifying into industries like aerospace, finance and life sciences while maintaining the state's reputation for low taxes. "[This is about] shifting focus from servicing tourists to supporting long-term residents and new industries," he said.

**Related:** [Fort Lauderdale hotel unveils multimillion-dollar renovation \(Photos\)](#)

Gastesi framed the bill as a reflection of free-market values, arguing that "government should not be primarily responsible for promoting private industry" and that it "provides transparency and accountability in how tourism marketing dollars are spent."

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T H E L I S T

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Number of guest rooms

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2	2	Seminole Hard Rock Hotel & Casino Hollywood
3	3	The Boca Raton
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