

## TAX

Continued from B1

executive director of the VCB. "Everybody needs to get on the same page. We'll need to look and see what the possibilities are and how to move forward."

A question that must be answered is whether the county can move forward legally.

According to state laws, a county can levy a tourist tax on a "subcounty special district basis" — in this case the Captiva Erosion Prevention District is the special district.

Anne Dalton, the district's attorney, said Lee County commissioners could increase Captiva's bed tax by an extraordinary vote (a majority plus one) or authorize a referendum Captiva residents would need to approve.

But the law also says, in order for a county to levy a tourist tax on a special district, the district must "embrace all or a significant contiguous portion of the county."

"I don't know what the boundaries of the Captiva Erosion Prevention District are, but I don't think it embraces a significant portion of the county," said deputy county attorney Andrea Fraser. "Unless the erosion district embraces a great portion of the county as a whole, it doesn't meet the statutory requirements."

Dalton said she doesn't read the law that way.

"It's a question of interpretation," Dalton said. "It's reasonable to interpret the statute the way we interpret it. I'm not going to comment on the county's inter-

pretation, but ours is more accurate."

In 2009, Lee County collected \$21.3 million in bed taxes.

In the past, 33 percent of the bed tax went toward beach and shoreline projects; 13.4 percent went for debt service on the Lee County Sports Complex and other expenses; and 53.6 percent went toward advertising and promotion through the Lee County Visitor and Convention Bureau.

With the county's decision to use 20 percent of bed-tax money to build a spring training complex for the Boston Red Sox, beaches and shoreline's share dropped to 26.4 percent.

Created in 1959, the erosion district collects property taxes from Captiva property owners (the total is about \$300,000 a year); residents also pay special assessments for individual projects (island residents paid \$6.5 million to renourish the beach in 2005).

The proposal has some on the island split.

"With the economy the way it is, we need to get creative," said Dave Jensen, co-owner of Jensen's Twin Palms Cottages & Marina and Jensen's on the Gulf. "I've never been a fan of additional taxes, but that may be the way to go. Our customers pay regardless. We'll have to charge more to cover our costs."

Jeff Shuff, general manager of Tween Waters Inn, disagreed.

"With the current economic climate, I don't think we should raise any taxes," he said. "It makes sense: Guests are the main users, but I'd rather keep the tax the way it is."