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Tax-on-Tax Compounding, Voter-Approved Convention Hikes, and Hotel-vs-STR Parity Gaps Across 210 Enacted Regimes: Cincinnati, Milwaukee, Oklahoma City, Omaha, Louisville, Madison, Tucson, Richmond, Raleigh, and Providence

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Abstract. Expanding MTRI Global Statutory Dataset v19.0 to 210 verified regimes (164 U.S. peer benchmarks), this empirical brief documents how mid-market U.S. metros push effective lodging burdens to 17.9%–18.3% via Act 12 sales add-ons, voter referenda, and tax-on-tax occupation compounding—while Rhode Island retains a 5-point whole-home STR tax discount. Empirical highlights: 210 Regimes (Enacted visitor-tax and STR laws verified in MTRI Dataset v19.0 (164 live U.S. city peer preview pages)); 17.9%–18.3% (Mid-market convention peaks in Cincinnati (18.3%), Omaha (18.16% effective tax-on-tax), Milwaukee (17.9%), and OKC (17.875%)); 5.0-Pt Gap (Rhode Island statutory hotel-vs-whole-home STR tax wedge (13% hotels vs. 8% entire-home STRs under R.I.G.L. § 44-18-36.1)).

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210 Regimes Enacted visitor-tax and STR laws verified in MTRI Dataset v19.0 (164 live U.S. city peer preview pages)	**17.9%–18.3%** Mid-market convention peaks in Cincinnati (18.3%), Omaha (18.16% effective tax-on-tax), Milwaukee (17.9%), and OKC (17.875%)	**5.0-Pt Gap** Rhode Island statutory hotel-vs-whole-home STR tax wedge (13% hotels vs. 8% entire-home STRs under R.I.G.L. § 44-18-36.1)

1. Why mid-market convention cities now top America’s 18% lodging-tax frontier

Conventional wisdom assumes New York, San Francisco, and Chicago impose the nation’s steepest consumer hotel burdens. Expanding the Meridian Global Visitor Charges & Caps Dataset to 210 verified regimes (164 U.S. municipal peer pages) reveals a striking structural reversal: mid-market Midwest and Plains convention metros now equal or surpass coastal gateway rates through stacked county convention bonds, state act surcharges, and voter-approved hotel hikes.[1]

In Cincinnati / Hamilton County, layering a 4.0-percent municipal occupancy tax, a 6.5-percent county lodging tax backing the Duke Energy Convention Center modernization, and 7.8-percent sales tax yields an 18.3-percent combined hotel stack. In Omaha, statutory tax-on-tax compounding—where Nebraska’s 7.0-percent sales tax and 5.0-percent state/Douglas County lodging taxes apply on top of the 5.5-percent City Hotel Occupation Tax—pushes the true consumer burden from 17.5 percent nominal to 18.16 percent effective.[2] Meanwhile, Milwaukee’s 2024 implementation of Wisconsin Act 12’s 2.0-percent municipal sales tax elevated its Baird Center convention-core stack to 17.9 percent, and Oklahoma City voters approved a 3.75-point hotel-tax hike (5.5% to 9.25%) effective October 1, 2024, lifting its combined stack to 17.875 percent.

Table 1. Ten newly codified U.S. mid-market convention, capital, and riverfront regimes expanding MTRI Dataset v19.0 to 210 jurisdictions (2026)

Jurisdiction	Combined Stack	Primary Bond / Earmark	STR Rule / Parity	Admin Body	Primary Statute
Cincinnati, OH	18.3% (4+6.5+7.8)	Duke Energy Conv. Ctr.	Ch. 856 reg. + 7% tax	City Fin. & Ham. Cty	O.R.C. § 5739.09
Omaha, NE	18.16% Eff. (17.5)	CHI Health Ctr. Arena	Tax-on-tax base incl.	Omaha Fin. & NE DOR	Omaha § 19-601
Milwaukee, WI	17.9% (10% + 7.9%)	Baird Ctr. (WCD) & Act 12	Uniform marketplace	WI DOR & WCD	Wis. Stat. § 229.44
Oklahoma City, OK	17.875% (9.25+8.625)	OKC Conv. & MAPS 4	$28 license / BoA CUP	OKC Finance & OTC	OKC Code § 52-102
Louisville, KY	16.07% (9.07+1+6%)	KICC & Yum! Center	600-ft buffer + CUP	Metro Rev. Comm.	KRS § 91A.390
Madison, WI	15.5% (10% + 5.5%)	Monona Terrace & DMO	Primary Res. + 30d cap	Madison Fin. & Zon.	MGO § 28.151
Tucson, AZ	14.65% + $4.00/nt	Tucson Conv. Ctr.	SB 1168 reg. (no ban)	Tucson Bus. Services	Tucson Code § 19-66
Richmond, VA	14.0% (8% + 6%)	Greater Richmond Conv.	Primary Res. (185d)	Richmond Fin. & GRCC	Va. Code § 58.1-3823
Raleigh / Wake, NC	13.25% (6% + 7.25)	Raleigh Conv. & Arena	UDO § 6.4.13 permit	Wake Tax Admin.	N.C. S.L. 1991-594
Providence, RI	13% Hotel / 8% STR	RI Conv. Ctr. Auth.	5% whole-home exempt	RI Div. of Taxation	R.I.G.L. § 44-18-36.1

2. Spatial buffers, 30-day caps, and flat per-night surcharges: Louisville, Madison, Richmond, and Tucson

Beneath the headline tax rates, mid-market cities deploy sharply divergent regulatory architectures to contain residential short-term rental clustering. Louisville pairs its 16.07-percent transient room stack with a 600-foot parcel separation firewall and Board of Zoning Adjustment Conditional Use Permit requirement for non-owner-occupied STRs.[3] Madison enforces a 15.5-percent Monona Terrace stack alongside a primary-residence requirement and a hard 30-day annual cap on unhosted stays, while Richmond couples its 14.0-percent regional convention-authority tax with a 185-day primary-residency rule.

Where state legislatures preempt outright STR bans—as in Arizona under A.R.S. § 9-500.39 (SB 1168)—municipalities lean heavily on hybrid flat-plus-ad-valorem levies: Tucson layers a $4.00 per-night flat hotel surcharge atop its 14.65-percent combined transient and privilege stack, generating recession-resilient revenue insulated from off-peak average daily rate (ADR) compression.

3. Interlocal agreements and statutory parity gaps: Raleigh–Wake and Providence's 5-point STR wedge

Finally, two East Coast benchmarks highlight critical design choices for FY2027 municipal budget committees and bond underwriters. Raleigh and Wake County finance convention-center and arena bonds at a comparatively modest 13.25-percent lodging stack by coupling their 6.0-percent occupancy tax with a broad-based 1.0-percent Prepared Food and Beverage Tax under a multi-decade Interlocal Agreement, avoiding hotel rate saturation.[4]

By contrast, Providence illustrates the fiscal cost of incomplete statutory parity: under R.I.G.L. § 44-18-36.1(b), traditional hotels remit a 13.0-percent combined stack (7% sales + 5% state hotel + 1% local hotel), whereas entire-home residential short-term rentals are statutorily exempt from the 5.0-percent hotel levy and pay just 8.0 percent—creating an explicit 500-basis-point price subsidy favoring whole-home residential conversions over regulated convention-district hotels. All 210 regimes and 164 U.S. peer benchmarks are freely auditable under CC BY 4.0 at meridiantourismri.org.

References

[1] Chaiwat Saechueng and Mukesh Thakur, Global Dataset of Enacted Visitor Levies, Cruise Berth Caps, Timed-Entry Quotas, and Short-Term Rental Laws (2026 Edition — 210 Jurisdictions), v19.0, Meridian Tourism Research Institute / Harvard Dataverse, https://doi.org/10.7910/DVN/YAQLA1.

[2] O.R.C. § 5739.09 & Cincinnati Municipal Code Ch. 315/856; Omaha Municipal Code § 19-601 & Neb. Rev. Stat. § 81-3715; Wis. Stat. § 229.44 & 2023 Wis. Act 12; Oklahoma City Municipal Code Ch. 52 Art. III (§ 52-102, eff. Oct. 1, 2024).

[3] KRS § 91A.390 & Louisville Metro Code Ch. 115 / LDC § 4.2.63 (600-ft STR buffer); Wis. Stat. § 66.0615 & Madison MGO § 28.151 (30-day unhosted cap); Va. Code § 58.1-3823 & Richmond Code § 30-446.2; Tucson Code § 19-66 ($4/nt surcharge) & A.R.S. § 9-500.39.

[4] N.C. Session Law 1991-594 (Wake County Interlocal Agreement) & Raleigh UDO § 6.4.13; R.I.G.L. § 44-18-36.1 (5% State Hotel Tax & Whole-Home STR Exemption) & § 42-63.1-14 (Statewide STR Registry).

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