

Taos County Lodger's Tax Sponsorship Program Guidelines



About Lodger's Tax

Lodger's Tax is collected from tourists who stay in lodging establishments in Taos County. Up to forty (40%) percent of Lodger's Tax monies collected are mandated to be spent to promote tourism and/or tourist attractions in Taos County. Any organization may have a very worthy community project, however, if the project does not deal with promoting tourism or tourist attractions, the organization will not qualify for Lodger's Tax Funds.

Only tourist-related facilities, attractions, and tourist-related events occurring in Taos County are eligible for County Lodger Tax funds. Funds can only be used for advertising, publicizing, and promoting tourist-related attractions, facilities and events that promote Taos County.

- Funds must be oriented towards advertising, publicizing, and promoting Taos County as outlined in Section 3-28-21 NMSA 1978 (as amended) "Use of Tax Proceeds."

What is "Sponsorship" According to Taos County?

The Sponsorship Program supports marketing initiatives that promote tourism, enhance visitor experiences, and drive overnight stays within the County. Funded by County promotional lodger's tax revenue, this program seeks to align with the County's tourism, destination stewardship, and economic development goals. **Any entity may receive only one sponsorship OR grant per fiscal year.** The County will not award both a sponsorship and a grant to a single entity within a fiscal year under any circumstance.

What is the difference between Sponsorship and the Taos County Lodger's Tax Grant Program?

1. Purpose

For either program, an entity may receive either one sponsorship OR grant per entity per fiscal year. An entity that receives a grant cannot also receive a sponsorship within the same fiscal year, and vice versa.

Sponsorship Program:

Sponsorship through County Lodger's Tax focuses on forming a partnership where the County provides financial support (maximum \$5,000 per entity per fiscal year) in exchange for **marketing exposure** or direct benefits that align with the County's destination stewardship goals. For example, the County might sponsor an event, project or marketing campaign in return for advertising its brand or showcasing the county as a destination.

Grant Program:

The Taos County Lodger's Tax Grant Program emphasizes financial support to entities for specific projects or programs that prioritize creating meaningful *experiences* for locals and visitors alike. Grantees typically have the autonomy to achieve their goals within set guidelines. The grant program provides promotional support for tourist-related activities, facilities and events that take place/exist in Taos County, are aligned with the values-based goals of the grant program, and promote the entity *as well as* Taos County. Entities may apply for competitive, reimbursable grants for up to \$59,999 per entity per fiscal year.

2. Expectations & Emphasis**Sponsorship Program:**

Requires mutual benefits: The sponsor (county) expects branding opportunities, acknowledgment, or some measurable return on investment related to tourism marketing and promotion.

Deliverables may include displaying the county logo on materials, announcing sponsorship during events, generating clicks or follow-through on promotions that direct traffic and visitorship to Taos County, or generating a specified number of hotel stays that can be tracked and measured.

Grant Program:

Focuses on project outcomes: The grantee is expected to deliver results tied to tourism, destination stewardship, and reciprocal exchanges between visitors and locals, but the emphasis is on achieving goals rather than promoting the grantor.

Deliverables often include reports on how funds were spent, attendance numbers of both locals and visitors, qualitative feedback, overnight stays, and metrics like visitor numbers or economic impact.

3. Funding Mechanism**Sponsorship Program:**

Typically structured as direct payments after the proper procurement methods are completed, sometimes before the event or initiative. After a purchase order is completed, sponsees must submit proof of advertising, promotion, or publication prior to being issued their sponsorship payment.

Funding is tied to specific promotional outcomes agreed upon in advance (e.g., advertising placements, signage, or acknowledgments).

A maximum of \$5,000 may be provided per entity per fiscal year (July-June).

Sponsees are required to submit a final summary of metrics and marketing/promotional outcomes following their promotion of Taos County.

Grant Program:

Reimburses expenses after the grantee incurs costs. Grantees are required to submit all invoices, receipts, and proof of payment for all reimbursement requests; and are required to submit a final report outlining the outcomes of their grant-funded project.

Funding is goal-driven, awarded based on applications detailing how the project aligns with the County's destination stewardship and Grant Guideline goals and objectives.

A maximum of \$59,999 is available per entity per fiscal year (July-June).

4. Application & Selection Process**Sponsorship Program:**

Selection focuses on opportunities that align with the County's branding and marketing goals, and the [Taos Destination Stewardship Plan](#). Applicants may submit a Letter of Intent (LOI) at any time. LOIs must include a description of the activity and/or campaign, a detailed listing or description of the benefit to Taos County, and the projected measurable impacts and return on investment from the sponsorship.

All proposals will be initially received by the Economic Development Director and/or Lodger's Tax Coordinator, and sent to the Taos County Manager. Final approval is given at the discretion of the Taos County Board of Commissioners.

Grant Program:

Applicants must review the full Taos County Lodger's Tax Grant Program guidelines and submit an application during one of the two open application windows during the fiscal year. For more information, please visit the [Taos County Lodger's Tax Grant Program website](#). Application involves a formal, competitive process with detailed proposals.

Grant applications move through a formal and competitive process. They are reviewed by the Taos County Lodger's Tax Advisory Board and approved by the Taos County Board of Commissioners.

Eligibility & Eligible Uses of Funds for Sponsorship

- Applicants must be a nonprofit organization, sub-division of the State of New Mexico, or business that contributes to tourism and destination stewardship.
- Applicants must demonstrate a direct connection to promoting responsible tourism and increasing overnight stays in Taos County, New Mexico.
- Activities must target out-of-town visitors.
- Initiatives should promote the County as a destination.
- Must comply with state and local laws regarding the use of public funds.

- Funds cannot be used for activities unrelated to promoting Taos County, or general operating expenses.

Eligible Uses of Funds

- Advertising and marketing campaigns.
- Design and production of promotional materials.
- Sponsorship of conferences, festivals, events and exhibitions that promote tourism.

Ineligible Uses of Funds

- Funds, material property or services rendered directly or indirectly from the proceeds of Lodger's Tax, shall not be used for any political activity or to further the election or defeat of any candidate for office.
- Any loss arising from uncollectible accounts, other claims or related costs.
- Capital improvements or construction.
- Contribution to a contingency reserve, or similar provision for unforeseen events.
- Costs of attending meetings, which are not open for attendance on a non-discriminatory basis.
- Activities that cater primarily to local residents (see the Taos County Lodger's Tax Grant Program for an alternative to this Sponsorship Program).

Legal and Branding Considerations

The relationship will include a formal sponsorship agreement with branding, acknowledgment requirements, and performance metrics. This will be presented as a scope of work based off of the original Letter of Intent. Taos County will maintain all proper procurement methods and will issue a purchase order to encumber the sponsorship.

Payment will be made after the initial County promotion is completed and proof of sponsorship obligation can be provided. Failure to meet sponsorship obligations (e.g., logo placement or acknowledgment) could lead to funding clawbacks.

Please allow 3-6 weeks from the time of receipt of a Letter of Intent to receiving a purchase order for the sponsorship.

Examples of the Sponsorship vs Grant Programs

Sponsorship Program:

- Funding for a statewide campaign that promotes skiing destinations throughout New Mexico in exchange for logo placement, mentions in advertising, and a promotion of Taos County as a destination.
- Supporting a sports event that agrees to feature the County in state, regional and/or national media coverage.
- Industry-Specific Conferences: Funding to host conferences for industries such as agriculture, technology, or film that bring in professionals and exhibitors.

Grant Program:

- Initial graphic design and branding creation for a new music venue that will attract locals and visitors to Taos County.
- Providing financial assistance to non-profits to promote events or activities that benefit locals and visitors.
- Financial assistance to pay for a billboard that promotes an event taking place in Taos County.
- Writing, design, and printing of a new brochure for a cultural heritage site.
- Production of Taos County-branded swag that is used to incentivize ticket sales for an event that is geared towards out-of-town visitors.