Proposed 2025 Ouray County Lodging Tax

What is being proposed?

A lodging tax of 6% on short term rentals, campgrounds, RV parks, and bed and breakfasts that applies only in the unincorporated parts of Ouray County.

How would the 6% be used?

If passed, 90% of revenues would be used to support local law enforcement, fire protection services, emergency medical services, and affordable housing and childcare infrastructure for the local workforce. This measure will not raise enough to fill all needs, but will supply matching funds for grants and other funding partnerships. Current needs include:

- EMS staffing & ambulance acquisition
- Support for fire districts & EMS consolidation to improve Log Hill response times
- Search and Rescue support
- Alpine Ranger Program
- Local matches required for affordable housing grants
- Childcare facility development grant matches

State law requires that "10% of the lodging tax revenue must be used for the purpose of advertising and marketing local tourism." Ouray County intends to use this 10% to direct the visitors who are already coming to local businesses and sustainable tourism.

Photo: Ouray Mountain Rescue Team

How much could the 6% generate?

The lodging tax is estimated to generate roughly $182,000 per year starting January 1, 2026. This figure is based on available data for short term rentals in the unincorporated county. Bed-and-breakfasts, campgrounds, and other lodging options may generate additional revenue.

Why is this being proposed?

A lodging tax is a way for the tourists and visitors who are using our emergency services to help pay for them, without increasing taxes on Ouray County residents.

Visitation to Ouray County now exceeds 2 million visitor days per year since the pandemic and demand for EMS, law enforcement, firefighting, and search and rescue is exceeding existing funding sources. Existing funding is primarily from property taxes, sales taxes, and state/federal grants.

Increased housing costs driven by visitation and a surge in demand continues to drive the need to develop affordable housing and licensed childcare facilities for working families in Ouray County.

Who pays this lodging tax?

The lodging tax is paid by individuals renting short term accommodations in the unincorporated county. Ouray County residents would only pay this tax if they book short-term lodging themselves within the unincorporated county.

Photo: Ouray County Sheriff's Office

What types of lodging would be taxed?

The county lodging tax would be applied specifically to lodging services outside the municipalities for rentals of less than 30 consecutive days, including:

- Short term rentals
- Bed-and-breakfast inns
- Campgrounds and RV parks

Where would it apply?

This proposed tax would only apply to lodging within unincorporated Ouray County. An Ouray County lodging tax would not apply within the City of Ouray or the Town of Ridgway. Ridgway has a 6% lodging tax. The City of Ouray has a 3.5% lodging tax and a 15% excise tax on Short Term Rentals.

What is the current Ouray County lodging tax?

None. Ouray County does not currently levy a lodging tax and has never levied a lodging tax.

Will this have an impact on the municipalities of Ouray and Ridgway?

No. Both municipalities manage their own lodging taxes, and this measure applies only to unincorporated Ouray County.

Who will vote on this measure?

Only residents who are registered to vote in unincorporated Ouray County. Registered voters inside the municipal boundaries of the City of Ouray and the Town of Ridgway will not see this question on their ballots.

When will voters decide?

This ballot measure will be part of the November 4, 2025 election.

Resolution 2025-029 and ballot language:

https://ouraycountyco.gov/DocumentCenter/View/22223/2025-029-2025-Lodging-Tax-Ballot-Measure