

# Investing in Bristol

**A Strategic Proposal for the Local Option Tax (LOT)**

Voting by paper ballot on Tuesday, March 3, 2026, 7:00 AM - 7:00 PM

# | What is the Local Option Tax?

## What does LOT mean?

The Local Option Tax (LOT) is a 1% levy on sales, meals, alcohol, and lodging, expected to raise approximately \$250,000 each year for the Town of Bristol. This revenue will come from Bristol shoppers, visitors, commuters, residents of nearby towns, and Bristol locals, who pay only on taxable purchases. Essentials such as groceries, prescriptions, and clothing are exempt.

Over 30 Vermont towns use LOTs to fund infrastructure repairs and upgrades, flood resiliency, bicycle and pedestrian improvements, fire and highway equipment replacement, emergency preparedness, economic development, and reducing pressure on property taxes — all priorities that Vermont towns with local option taxes have funded for years.



# Who Contributes to the LOT?

**Bristol shoppers, visitors, commuters, residents of nearby towns, and Bristol locals.**



## Visitors

Tourists visiting for hiking, outdoor recreation, and scenic exploration.



## Event Attendees

Attendees at cultural events like Fourth of July, Pocock Rocks, and the Harvest Festival.



## Patrons, Diners, & Guests

Shoppers in Bristol stores and businesses and diners at Bristol restaurants.

# Revenue Projections

# \$250k

**PROJECTED ANNUAL REVENUE**

## Fiscal Empowerment

Based on 2024 data, the Local Option Tax could provide a consistent, sustainable revenue stream without burdening property taxpayers. Funds are controlled by Bristol, not the state.

By strategically deploying these funds, Bristol can invest in its future—from roads and bridges to stormwater management and downtown initiatives—while maintaining fiscal responsibility to its residents.

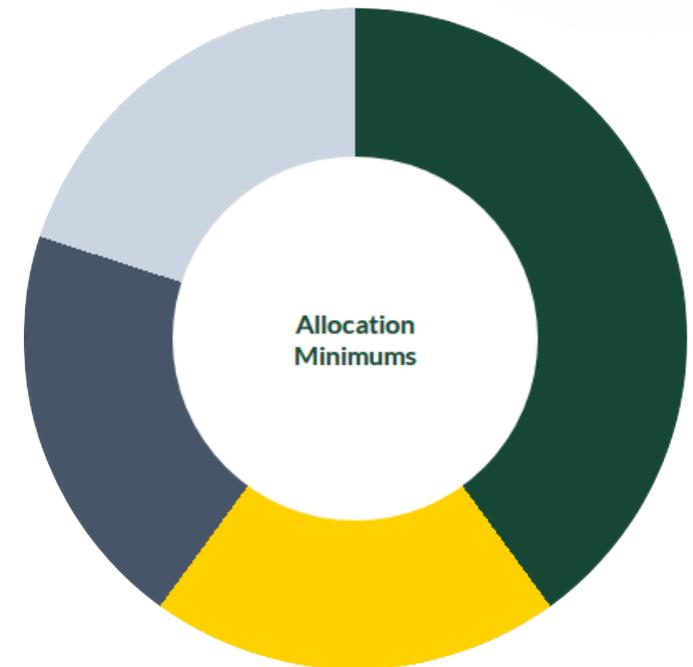


# Strategic Revenue Allocation

## Where Will the Money Go?

The Local Option Tax revenue will be allocated across three strategic priorities with minimum thresholds that ensure meaningful investment in each area while maintaining flexibility to respond to changing community needs:

- **Capital Infrastructure:** minimum 40%
- **Climate Resilience & Emergency Preparedness:** minimum 20%
- **Economic Development:** minimum 20%
- **Remainder/Flexible (20%)**



# Priority 1: Capital Infrastructure



## Essential Project Funding

Essential infrastructure projects often require bonding, creating long-term debt service obligations that increase property taxes. Rather than increasing annual draws from capital reserve funds or borrowing for essential projects, LOT revenue will provide dedicated infrastructure funding.

### Minimum 40% Allocation:

- Road resurfacing & Bridges
- Water/Sewer systems
- Municipal facility repairs
- Heavy equipment replacement

# Priority 2: Climate Resilience & Emergency Preparedness

## Resilience & Preparedness

Bristol's multiple FEMA disaster declarations highlight rising climate impacts. LOT revenue funds flood mitigation, stormwater improvements, damage prevention, and local match for disaster aid.

### Minimum 20% Allocation:

- Flood mitigation projects and culverts
- Stormwater drainage improvements
- Local matches for federal assistance
- Proactive storm damage prevention



# Priority 3: Economic Development



## Growth through Investment

A dedicated fund supports downtown revitalization, business infrastructure, and projects that strengthen Bristol's economy. These investments expand the tax base and boost visitor spending, creating a cycle where growth funds further community investments.

### Minimum 20% Allocation:

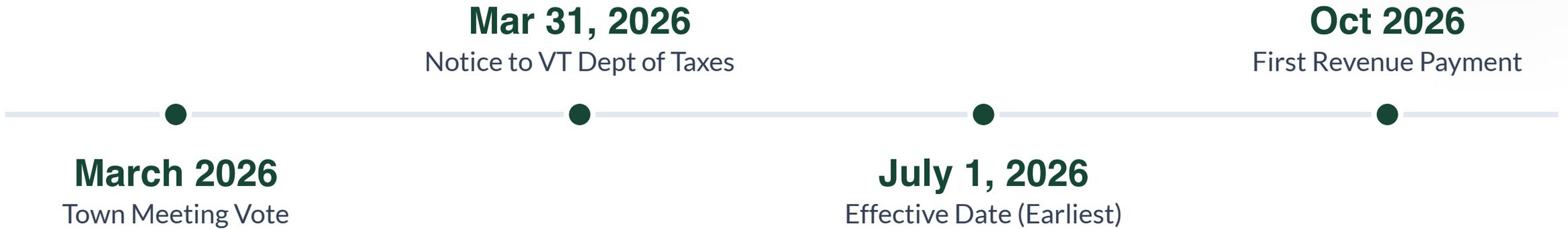
- Downtown vibrancy projects
- Small business support
- Recreation & Tourism marketing
- Community development grants

# Transparent Tax Rates & Exemptions

Category	Current Rate	Rate with LOT	Status
Sales Tax	6%	7%	Taxable
Meals & Rooms	9%	10%	Taxable
Alcoholic Beverages	10%	11%	Taxable
Groceries & Medicine	0%	0%	EXEMPT
Clothing & Residential Heating Fuels	0%	0%	EXEMPT

*\*Middlebury (9 miles away) has had LOT since 2008; Bristol already competes with this rate.*

# Roadmap to Implementation



**Governance:** Voters can repeal the LOT at any annual or special Town Meeting by majority vote.

# Questions?

Strengthening Bristol without burdening residents.

**Sound Fiscal Stewardship:** LOT funds bolster Bristol's infrastructure and health, reducing property tax reliance.

**Transparency:** Bristol controls the revenue directly, with strategic minimums for accountability.

Gregory Faust | Town Administrator | (802) 453-2410 x1  
townadmin@bristolvt.org | [www.bristolvt.org/lot](http://www.bristolvt.org/lot)