

## SUCCESS STORY

# How Okaloosa County, FL Maximizes \$30M+ in Tourist Tax Revenue



**GovOS Suites:** Licensing & Registration, Tax & Compliance

**Population:** 216,000+

**Agency Type:** County

**Region:** Southeast

Located in the northwestern region of Florida, Okaloosa County, plays host to millions of visitors annually, reporting a record 7.5 million visitors in 2021 alone. The area's allure extends beyond its white sand beaches—to museums, parks, and rivers—all of which contribute to an enduring tourism industry. The increasing numbers of visitors benefit the local economy—most notably, in the form of substantial tax revenue.

Playing a central role in the management of tourist-related taxes is the Okaloosa County Clerk of the Circuit Court and Comptroller's Office. This team is responsible for the county's treasury and surplus funds as well as the collection, enforcement, and audit of the Tourist Development Tax (TDT).

The local Tourist Development Department relies heavily on TDT revenue for investing in programs that benefit those visiting, living, and working in the county. Beyond supporting ongoing tourism efforts, the department is responsible for multiple initiatives, including allocating funds for beach lifeguards, protecting the natural environment through marine life conservation efforts, and managing beach restoration projects.

For the county, accurate enforcement and collection of TDT, especially in the face of rising tourism, can mean the difference of millions of dollars—and consequently, the extent to which various county initiatives can be funded. Part of the team working to ensure accuracy in collections is Joshua Allen, Okaloosa County's Board Services Director, who recognized early on the importance of having the right software in place.

## Customer Results

**98% of transactions paid online**

**\$76,500+ collected in penalties & interest**

**14%+ increase in registered tax clients**



## The Need

Okaloosa County's 6% TDT, collected on all short-term rental (STR) income, amounts to more than \$30 million annually that is collected and distributed by the County Clerk of the Circuit Court and Comptroller's Office. Although the team already had an online STR and tax solution in place prior to 2022, the software vendor was not meeting their needs.

"The system we had was not user-friendly," explained Allen. "We had a lot of customer complaints about the number of clicks it required to process a transaction." The county needed a solution that could not only manage tax collections efficiently but also improve the taxpayer experience.

Another missing component was the ability to report on their data. The office was tasked with providing detailed reports, but the time required to create these reports amounted to hours. They needed a system that would enable them to easily collect, sort, and present data about TDT funds. For JD Peacock, Okaloosa County's Clerk of Circuit Court and Comptroller, this was fundamental.

"We were looking for a software provider that would partner with us to deliver a view of the data that shows where tourist taxes were being collected, what the impacts were, where we needed to make management decisions, and how the Tourist Development Department applies those dollars towards supporting the county's tourism infrastructure. We realized there is a lot of data, but we needed a better way of using it to make decisions, see trends, and perform analyses."

## The Solution

On an accelerated schedule to replace their previous vendor and system, the county began exploring companies that could deliver a solution to meet all their compliance, tax system, and reporting requirements. After meeting with GovOS to outline their needs, the county officially went live with the GovOS STR compliance, registration, and tax collection solutions in September 2022.

"One of the things that sets GovOS apart from other vendors is the customer service," said Allen. "We were in a situation where we needed to implement new software quickly, and GovOS stepped up to get us the product we needed in a short amount of time. Alongside their customer service team is a product team that's there for you, not just to implement their solution, but to find solutions that work for you."

Following implementation, the team took to the system quickly, using it to issue notifications to their tax customers, help identify non-compliant STR properties, and leverage the system's extensive reporting capabilities.



**"Even though the number of accounts has increased, we've not had to increase the time our personnel spends actively going through the accounts, collecting taxes, and preparing enforcement proceedings."**

**Falin Ivy**

Board Services Agent



## The Results

### REVENUE INCREASES

Currently, the county has less than half a percent of delinquent accounts remaining, and 98% of all TDT transactions are paid online. Using the GovOS system, Okaloosa County collected more than \$76,500 in penalties and interest in fiscal year 2023 and reported a \$1 million increase in TDT funds distributed to municipalities compared to the previous year.

What is the impact of a more than \$1 million increase in funds? In 2023, the Tourist Development Department completed numerous objectives, including deploying artificial reefs for marine life, furthering waterfront park development, and finalizing an economic impact study for the Destin Fort Walton Beach Convention Center.

### TIME SAVINGS

All in all, the county has 1,600 registered tax customers, up from 1,400, which represents a 14% increase. With the GovOS support team providing direct assistance to citizens and the business community that file taxes with the agency, the County Clerk of the Circuit Court and Comptroller's Office has been able to dedicate more staff time to other important aspects of their work.

### FASTER REPORTING

For Okaloosa County, ensuring they had visibility into the data and the speed at which that data could be organized into usable reports was a primary focus. "Having access to our data is everything," said Allen. "Before GovOS, I would spend, at minimum, half a day preparing the reports I needed for the industry and county. With GovOS, I run two or three reports, and it takes me about 5-10 minutes to pull what I need."

Since implementation, the county has continued its momentum, delivering services that simplify processes for the community and for their office. For JD Peacock, the result has been positive feedback. "We get compliments from different parts of the community about how well our reports provide the data to make informed decisions, understand trends, provide transparency in how we use tax revenue, and share how the funds support our local tourism infrastructure."



**"I have heard great feedback from our community regarding GovOS. Our customers love the efficiency of the system and how easy it is to navigate. They can pay online using banking and routing numbers on any device that has access to the internet."**

**Joshua Allen**

Board Services Director

