



COUNTY OF LEHIGH  
OFFICE OF THE CONTROLLER

LEHIGH COUNTY GOVERNMENT CENTER  
17 SOUTH SEVENTH STREET  
ALLENTOWN, PA 18101-2400  
(610) 782-3082 FAX: (610) 820-3335

September 14, 2009

Mr. Robert McDevitt  
Homewood Suites by Hilton  
2031 Avenue C  
Bethlehem, PA 18017


Brian L. Kahler, Fiscal Officer  
Lehigh County Government Center  
17 South Seventh Street  
Allentown, PA 18101-2400

To Messrs. McDevitt and Kahler:

We have recently completed an agreed-upon procedures engagement of hotel room rental tax remitted by Homewood Suites for the period January 1 to December 31, 2008. Our report number 09-46 is attached.

The result of our review is \$238.47 in hotel room rental tax was assessed.

The corresponding HOTEL TAX "DETERMINATION" from Mr. Kahler requesting payment of \$238.47 is also attached.



Thomas Slonaker  
County Controller

Attachments (2)

**COUNTY OF LEHIGH, PENNSYLVANIA**  
**HOTEL ROOM RENTAL TAX REMITTANCES**  
**HOMEWOOD SUITES**

*Independent Controller's Office Report on  
Applying Agreed-Upon Procedures  
For the Period January 1 to December 31, 2008*

REPORT NO. 09-46

COUNTY OF LEHIGH, PENNSYLVANIA  
HOTEL ROOM RENTAL TAX REMITTANCES  
HOMEWOOD SUITES

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To Messrs. McDevitt and Kahler:

Pursuant to Act 12 of 2005, section 1770.8 to the County Code, Lehigh County Ordinance #2005-180 and the Lehigh County Hotel Room Rental Tax Rules and Regulations effective September 4, 2005, a four percent hotel room rental tax shall be collected and remitted to the Lehigh County fiscal officer. We have performed certain procedures enumerated below, which were agreed to by the Lehigh County fiscal officer, solely to assist the county fiscal officer in determining the accuracy of hotel room rental tax remittances made by the Homewood Suites management for the period January 1 to December 31, 2008. The fiscal officer, as the delegate for the County Executive, is responsible for the collection of the hotel room rental tax.

Procedures performed included:

- Verification of reported revenue to Form PA-3 submitted to the Commonwealth of Pennsylvania, Department of Revenue.
- Compliance to the County of Lehigh Rules and Regulations for hotel room rental tax collection.
- Verification of reported revenue and hotel room rental tax collections to hotel operator accounting records.

This agreed-upon procedures engagement was conducted in accordance with generally accepted government auditing standards and "Government Auditing Standards" as issued by the United States Government Accountability Office (GAO) and "Statements on Standards for Attestation Engagements" as issued by the American Institute for Certified Public Accountants (AICPA). The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures performed.

Reported taxable revenues of \$2,600,528.29 resulted in \$104,218.63 in hotel tax payable to the County of Lehigh during the period under review. Based on our review, additional tax and interest is due for an exemption adjustment of \$238.47.

An issue regarding exemption reporting compliance is detailed on the attached page titled "*Exemption Reporting Compliance*".

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on hotel room rental tax collections. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the county fiscal officer and management of the County of Lehigh and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



Thomas Slonaker  
County Controller

Attachment

August 24, 2009  
Allentown, PA

Final Distribution  
Board of Commissioners  
Donald T. Cunningham, Jr., County Executive



COUNTY OF LEHIGH, PENNSYLVANIA  
HOTEL ROOM RENTAL TAX REMITTANCES  
HOMEWOOD SUITES BY HILTON

*Exemption Reporting Compliance*

**Condition:** The hotel is not utilizing the latest forms to report exemptions. New forms were issued effective 2008 whereby permanent resident and non-permanent resident exemptions are reported separately.

**Recommendation:** The hotel should use the latest forms (pages 4-7) to report exemptions.

**COUNTY OF LEHIGH**  
 17 South Seventh Street  
 Allentown, PA 18101-2400

**HOTEL ROOM RENTAL TAX**

For Period Ended \_\_\_\_\_

HOTEL INFORMATION

Facility Name \_\_\_\_\_  
 Address \_\_\_\_\_

Capacity and Rooms Occupied

1	Number of Rooms	
2	Days in Period	
3	CAPACITY	
4	Number of Rooms Occupied for Period	

Tax Due

5	Gross Revenue	
6	Exemptions- Permanent Residents	
7	Exemptions- Non-Permanent Residents	
8	TAXABLE REVENUES	
	Tax Rate	0.04
9	TAX DUE FROM TAXABLE REVENUES	
10	Actual Tax Collected	
11	Tax Due (Greater of Line 9 or 10)	

TAXPAYER INFORMATION

Hotel Room Rental Tax is imposed at the rate of 4.0% of the consideration received by each operator of a facility within Lehigh County from each transaction of renting a room or rooms. The tax is to be collected by the operator of each facility from each patron who rents a room. Each operator is required to file a tax return and remit tax due on or before the 20th day of the month subsequent to the month in which the tax was levied.

CERTIFICATION

I hereby certify that this return has been examined by me and that the information contained herein is true, correct and complete, to the best of my knowledge and belief. This information is provided subject to the penalties of the Pennsylvania Criminal Code, 18 Pa.C.S. Ss 4904, relating to unsworn falsification to authorities.

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

COUNTY OF LEHIGH  
17 South Seventh Street  
Allentown, PA 18101-2400

HOTEL ROOM RENTAL TAX

INSTRUCTION SHEET

**Capacity and Rooms Occupied**

- Line 1. Enter number of rooms available  
Line 2. Enter number of days in period, e.g. January = 31, February = 28  
Line 3. Compute capacity: Line 1 times Line 2  
Line 4. Enter actual number of rooms occupied for the period

**Tax Due**

- Line 5. Enter gross room revenues, both taxable and exempt. **Do not include tax collected.**  
Line 6. Enter exempt revenues for permanent stay residents.\*  
Line 7. Enter exempt revenues for all exemptions other than permanent residents.\*  
Line 8. Compute taxable revenues: Subtract Lines 6 and 7 from Line 5.  
Line 9. Compute Tax Due from Taxable Revenues: Line 8 times the Tax Rate (.04).  
Line 10. Enter the actual room rental tax collected.  
Line 11. Enter Actual Tax Due: Greater of Line 9 or Line 10.

\* The detail of exempt revenues are to be reported on the supplementary "Hotel Room Rental Tax Exemptions- Permanent Residents" and/or "Hotel Room Rental Tax Exemptions- Non-Permanent Residents." Note that the *County Rules and Regulations, Part II, Section I. Records*, specifies that "The burden of proving that the Transaction is not taxable is upon the Operator and the Operator must demonstrate the same through accurate records."

Make Check payable to "County of Lehigh" (your canceled check is your receipt).

Mail completed forms and payment to:

County of Lehigh  
Fiscal Office  
17 South Seventh Street  
Allentown, PA 18101-2400



**COUNTY OF LEHIGH**  
**17 South Seventh Street**  
**Allentown, PA 18101-2400**

**HOTEL ROOM RENTAL TAX EXEMPTIONS- NON-PERMANENT RESIDENTS**

For Period Ended: \_\_\_\_\_  
 Facility Name: \_\_\_\_\_

Date	Guest Name	Organization	Exempt Code*	Rate	Nights	Exemption Amount
				\$		\$
<b>Total</b>						<b>\$</b>

\* Please Fill in the Exempt Code for the above exemptions using A,F,M,S or O as described below:

Per the "County of Lehigh Hotel Room Rental Tax Rules and Regulations" effective Sept 4, 2005; Part II; Section E; the

- A. Occupancy by Ambassadors, Ministers and Consular Officers of Foreign Government
- F. Occupancy by the United States Government
- M. Occupancy by Military personnel on official business.
- S. Occupancy by the Commonwealth of Pennsylvania
- O. Occupancy by Other Exempt Entities (as described in Part II, Sect. E, No. 5) Please Explain.

*Hotel exemption certificates and folios must be on file for all of the above exemptions.*





**COUNTY OF LEHIGH**  
**Office of Fiscal Affairs**

**Brian L. Kahler**  
**Fiscal Officer**

September 14, 2009

Mr. Robert McDevitt  
Homewood Suites by Hilton  
2031 Avenue C  
Bethlehem, PA 18017

**RE: HOTEL TAX "DETERMINATION"**  
**Homewood Suites by Hilton**

Dear Mr. McDevitt:

According to the recent agreed-upon procedures performed by the Lehigh County controller's office, hotel tax and interest is due for the period January 1, 2008 to December 31, 2008.

In accordance with Section G of the Hotel Tax Rules and Regulations, you are hereby requested to remit the sum of \$238.47. The calculations of the "determination" (as stated in Section G) were included in the Lehigh County controller's office draft report. Failure to remit the payment within **ten (10)** days will result in additional penalties, attorney fees, and fines as stated in Section G.

Very truly yours,

Brian L. Kahler  
Fiscal Officer

xc: Thomas Slonaker, County Controller

HOTEL TAX/HOTEL TAX DETERMINATION LETTER

*Government Center*  
*17 South Seventh Street*  
*Allentown, Pennsylvania 18101-2401*

*Accounts Receivable*  
*Phone: 610-782-3112*  
*Fax: 610-820-3121*

*Fiscal Administration*  
*Phone: 610-782-3115*  
*Fax: 610-820-3690*