



**Lehigh County**  
Pennsylvania

**OFFICE OF THE CONTROLLER**

Mark Pinsley, MBA    Thomas Grogan, CPA  
COUNTY CONTROLLER    DEPUTY CONTROLLER

October 7, 2021

Abby Barnett, Airbnb Indirect Tax  
888 Brannan St., 4<sup>th</sup> Floor  
San Francisco CA, 94103

Sydney Cody, Airbnb Tax Compliance  
888 Brannan St., 4<sup>th</sup> Floor  
San Francisco CA, 94103

Timothy Reeves, Fiscal Officer  
Lehigh County Government Center  
17 South Seventh Street  
Allentown, PA 18101-2400

We have recently completed an agreed-upon procedures engagement of hotel room rental tax remitted by Airbnb for the period January 1 to December 31, 2020. Our report number is 21-23 attached.

The corresponding Hotel Tax "Determination" from Mr. Reeves requesting payment of \$161.40 is also attached.

A handwritten signature in black ink, appearing to read "Mark Pinsley".

Mark Pinsley  
County Controller

Attachment

HOTEL TAX/AIRBNB



**COUNTY OF LEHIGH, PENNSYLVANIA**  
**HOTEL ROOM RENTAL TAX REMITTANCES**  
**AIRBNB**

*Independent Controller's Office Report on  
Applying Agreed-Upon Procedures  
For the Period January 1 to December 31, 2020*

COUNTY OF LEHIGH, PENNSYLVANIA  
HOTEL ROOM RENTAL TAX REMITTANCES  
AIRBNB

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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 Airbnb for the period January 1 to December 31, 2020. The fiscal officer, as the delegate for the County Executive, is responsible for the collection of the hotel room rental tax.

**Procedures and Findings:**

1. **Procedure:** Verification of reported revenue to Form PA-3 submitted to the Commonwealth of Pennsylvania, Department of Revenue.  
**Findings:** None.

***Note:** Form PA-3 was not used to verify reported revenue because consolidated returns reporting multiple locations are filed. As an alternative, hotel revenue records were used to verify amounts.*

2. **Procedure:** Compliance to the County of Lehigh Rules and Regulations for hotel room rental tax collection, and voluntary collection agreement between Airbnb and Lehigh County.  
**Findings:**
  - Reportable taxable revenues of \$1,044,480.96 resulted in \$40,179.24 in hotel tax payable to the County of Lehigh during the period under review (before adjustments). Based on our review, additional tax is due for an exemption adjustment of \$161.40.

3. **Procedure:** Verification of reported revenue and hotel room rental tax collections to hotel operator accounting records.

**Findings:** None.

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.

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.



Mark Pinsley  
County Controller

Audited by: Joseph Buick and Brian O'Donnell  
Attachment  
October 7, 2021  
Allentown, PA

Final Distribution  
Phillips Armstrong, County Executive  
Board of Commissioners  
Ed Hozza, Director of Administration  
Stephen Berndt, Accountant II



**COUNTY OF LEHIGH**  
Office of Fiscal Affairs

**Timothy A. Reeves**  
Fiscal Officer

October 7, 2021

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RE: HOTEL TAX "DETERMINATION"  
Red Roof Inn

Dear Ms. Barnett and Ms. Cody:

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, 2020 to December 31, 2020.

In accordance with Section G of the Hotel Tax Rules and Regulations, you are hereby requested to remit the sum of \$161.40. 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 as requested will result in additional penalties, attorney fees, and fines as stated in Section G.

Very truly yours,

Timothy Reeves  
Fiscal Officer

Enclosure

xc: Mark Pinsley, County Controller

HOTEL TAX/HOTEL TAX DETERMINATION LETTER