



November 30, 2023

Vikas Joshi, Owner
Super 8 by Wyndham Allentown
1033 Airport Rd
Allentown, PA 18109

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

To Mr. Joshi and Mr. Reeves:

We have recently completed an agreed-upon procedures engagement of hotel room rental tax remitted by Super 8 by Wyndham Allentown for the period January 1 to December 31, 2022. Our report number is 23-28 attached.

The procedures performed did not reveal any material findings. The procedures are included in the attached Independent Controller's Office report.

Mark Pinsley
County Controller

Attachment

HOTEL TAX/SUPER 8



COUNTY OF LEHIGH, PENNSYLVANIA
HOTEL ROOM RENTAL TAX REMITTANCES
SUPER 8 BY WYNDHAM ALLENTOWN

*Independent Controller's Office Report on
Applying Agreed-Upon Procedures
For the Period January 1, 2022 to December 31, 2022*

COUNTY OF LEHIGH, PENNSYLVANIA
HOTEL ROOM RENTAL TAX REMITTANCES
SUPER 8 BY WYHNDHAM ALLENTOWN

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To Mr. Joshi and Mr. Reeves:

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 Super 8 by Wyndham Allentown for the period January 1 to December 31, 2022. The Chief Fiscal Officer, as the delegate for the County Executive, is responsible for the collection of the hotel room rental tax. Hotel operators are responsible for the supporting documentation to which these procedures were applied. The sufficiency of these procedures is solely the responsibility of the parties specified in this report who have acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether procedures performed are appropriate for their purposes. An agreed-upon procedures engagement involves the practitioner performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed.

Procedures and Findings:

- Procedure:** Verification of reported revenue to Form PA-3 submitted to the Commonwealth of Pennsylvania, Department of Revenue.
Findings: Application of the procedure revealed eleven of the twelve month's reported revenues were verified to Form PA-3 with the exception of the month of January 2022. This finding did not result in underpaid taxes to Lehigh County.



2. **Procedure:** Compliance to the County of Lehigh Rules and Regulations for hotel room rental tax collection.

Findings: No exceptions were found as a result of applying the procedure.

3. **Procedure:** Verification of reported revenue and hotel room rental tax collections to hotel operator accounting records. (Per the Chief Fiscal Officer, underpayment of hotel tax by less than \$100, as determined during the audit, is considered immaterial and will not be collected from the hotel operator).


Findings:

- The hotel's revenue reports do not report the actual amount of tax collected. Application of procedures revealed a revenue understatement of \$552.64 when comparing the reported revenue with the hotel accounting records. The total tax underpaid as a result of this understatement is \$22.11. With interest included, the net tax due is \$22.45.

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).

We were not engaged to and did not conduct an examination or a review of the subject matter, the objective of which would be the expression of an opinion or a conclusion, respectively, on Hotel Room Rental Tax Remittances from Super 8 by Wyndham Allentown #2022-054 for the period January 1, 2022 to December 31, 2022. Accordingly, we do not express such an opinion or a conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported you. We are required to be independent of the responsible party and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to the agreed-upon procedures engagement.

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

Attachment

October 16, 2023

Allentown, PA

Audited by: Brian O'Donnell and Nam Tran

Final Distribution

Phillips Armstrong, County Executive

Board of Commissioners

Ed Hozza, Director of Administration

Stephen Berndt, Lead Accountant