



## Position Paper

### HB-2515 Changes to Local Lodging Tax

#### Background

PRLA, PATT and CCAP have been working to rewrite current local lodging tax law, repealing sections 1770.2 and 1770.6, and replacing it with a new statute that contains several changes. These changes include the ability for the County Commissioners to increase the local room tax to 5%. It also changes the purpose for which those tax dollars can be spent (clarifying tourism promotion purposes). If the tax is increased, the County Treasurer can collect up to a 5% administrative fee. Additionally, a penalty of 1 ½ % per month for failure of timely remittance has been added. The definition of "Hotel" is broadened to include public and private campgrounds, cabins, vacation rentals and universities that rent out rooms particularly to tourists, alumni groups, etc. Certification and decertification of TPAs is also addressed.

#### Current Status

HB-2515 was introduced during the last weeks of the 2014 session where it passed in the House Tourism Committee but the session ended before it could come to a floor vote. Plans seem to indicate that it will first be introduced in the Senate early in the session. Historically the House has been more agreeable than the Senate.

#### Support

The organizations leading the charge are the Pennsylvania Association of Travel and Tourism (PATT), the Pennsylvania Restaurant and Lodging Association (PRLA) and the County Commissioners Association of Pennsylvania (CCAP).

#### Opposition

I expect you will see the campgrounds and their association object as well as colleges and universities that conduct such kinds of events.

#### PMVB Position

The PMVB supports this effort.