



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

TO: Final Report Distribution
FROM: Thomas Slonaker, County Controller
DATE: February 11, 2009
RE: Hotel Room Rental Tax

We have completed an audit of hotel room rental tax reporting for the period October 1, 2007 through September 30, 2008. Our report number 09-8 is attached.

The result of our audit is the office of fiscal affairs management provided accurate financial reporting and continuous monitoring of hotel tax remittances.

Attachment

HOTEL TAX/FISCAL OFFICE AUDIT

COUNTY OF LEHIGH, PENNSYLVANIA
HOTEL ROOM RENTAL TAX REPORTING
OFFICE OF FISCAL AFFAIRS OPERATIONS

*Internal Audit for the
Period October 1, 2007 through September 30, 2008*

REPORT NO. 09-8

COUNTY OF LEHIGH, PENNSYLVANIA
HOTEL ROOM RENTAL TAX REPORTING
OFFICE OF FISCAL AFFAIRS OPERATIONS

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COUNTY OF LEHIGH, PENNSYLVANIA
HOTEL ROOM RENTAL TAX REPORTING
OFFICE OF FISCAL AFFAIRS OPERATIONS

Background

Lehigh County Ordinance 2000-157 imposed a 3.5% tax on hotel room rental revenue. The rate was increased to 4% in September 2005 by Lehigh County Ordinance 2005-145. The county fiscal officer established hotel tax rules and regulations to facilitate the collection and enforcement of the hotel tax.

Hotel Tax Rules and Regulations require hotel operators to report and transmit hotel room rental tax collected to the county fiscal officer on a monthly basis. The fiscal officer distributes 68.75% of hotel tax collections monthly to the Lehigh Valley Convention and Visitor's Bureau and applies the remainder to tourism facilities and community development initiatives.

Hotel room rental tax revenues reported by the fiscal officer for the period October 1, 2007 through September 30, 2008 amounted to \$2.4 million.



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

We have recently completed an internal audit of hotel room rental tax reporting by the office of fiscal affairs. The scope of our detail audit testing was October 1, 2007 through September 30, 2008. Our objective was to determine adequacy of controls over hotel room rental tax reporting.

We conducted our audit in accordance with the "*Standards for the Professional Practice of Internal Auditing*", promulgated by the Institute of Internal Auditors. Our audit included examination of the accounting records, documentation, discussions with the office of fiscal affairs and other county personnel, and such other auditing procedures we considered necessary in the circumstances.

We concluded that controls over hotel room rental tax reporting are adequate.

We wish to thank the fiscal officer and his staff for their cooperation during the audit. This report is intended for the information and use of the fiscal office and other affected county offices. However, this report is a matter of public record and its distribution is not limited.

Thomas Slonaker
County Controller

Allentown, Pennsylvania

Final Distribution

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