

Allegheny County Controller Chelsa Wagner's

# TAXPAYER ALERT

## Hotel Tax

December 2019



The Allegheny County Hotel tax is a 7 percent tax on hotel stays in Allegheny County. It funds construction debt and operation of the David L. Lawrence Convention Center, operation of the Monroeville Convention Center, tourism promotion initiatives by the non-profit VisitPittsburgh, and other purposes at the discretion of County government.

In recent years, over 4 million room nights have been sold in the County annually. For 2018, this resulted in Hotel Tax receipts of over \$37.4 million. Collections for 2019 to date have been at a similar rate.

The largest portion of this revenue—nearly \$14 million in 2018—goes to pay debt for construction of the David L. Lawrence Convention Center in Downtown Pittsburgh, which is owned and operated by the City of Pittsburgh-Allegheny County Sports & Exhibition Authority (SEA).

The next largest portion—about \$10.7 million in 2018—goes to VisitPittsburgh, a non-profit organization which serves as the official Tourism Promotion Agency for Allegheny County.

**Remaining funds after the disbursements required by law—over \$11 million in 2018—may be disbursed at the discretion of County government for activities that draw tourism and visitors to the County. This has included operating funds for the David L. Lawrence Convention Center (\$4.5 million in 2018) and funding for Allegheny County Parks (\$4 million for each of the past three years).**

**Nearly \$2.4 million of these funds went unspent by the County in 2018, contributing to a fund balance of greater than \$12 million at the close of the year.**

**See how Hotel Tax funds are spent on Page 2 and how we could better utilize them.**

Chelsa Wagner  
Allegheny County Controller



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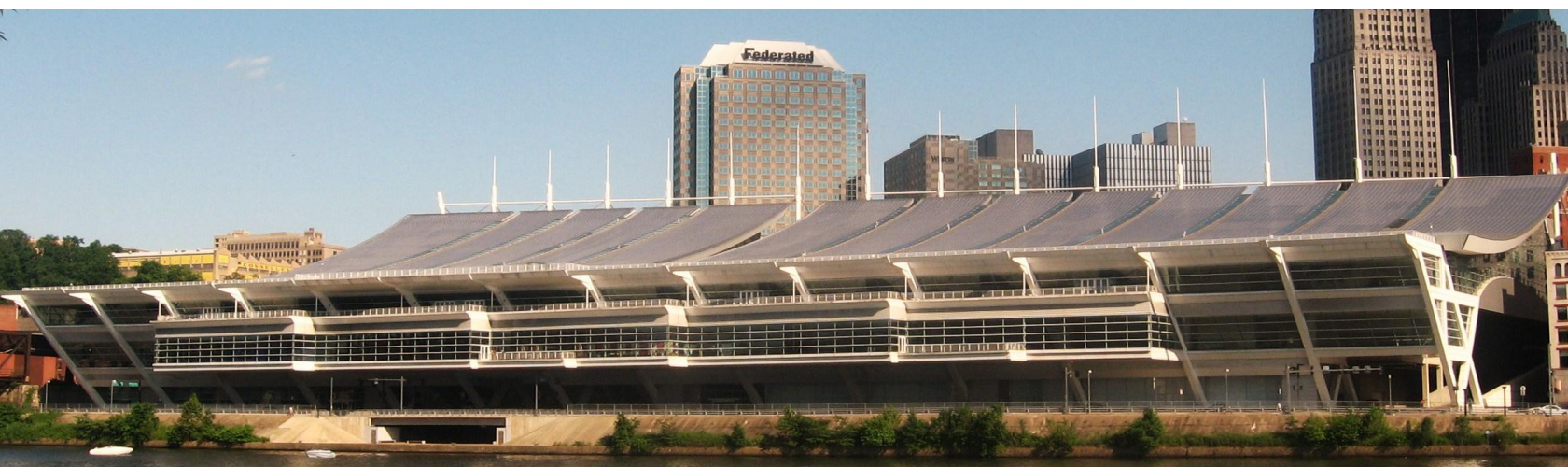
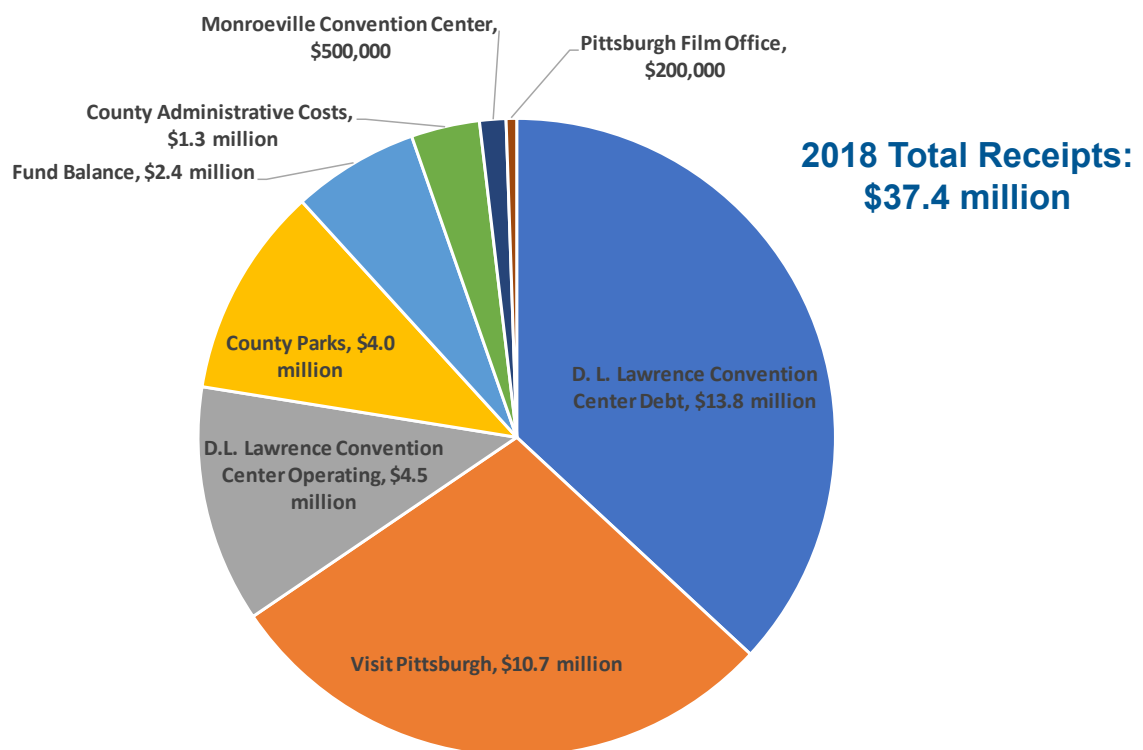
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The fund balance available for tourism promotion activities chosen at the discretion of the County is large and growing. It should be put to use for the benefit of residents and visitors alike. The overage in Hotel Tax dollars could bolster public transit service to areas which attract visitors and service industry workers, including implementing proposals for 24-hour service to some areas; improve transit stops and pedestrian infrastructure; and support neighborhood business districts.

The Hotel Tax is meeting the needs for which it was enacted, and additional revenues resulting from a growing local tourism industry can meet additional pressing needs without placing new burdens on our taxpaying residents.



David L. Lawrence Convention Center

