

STAFF REPORT



SUBJECT: Hampton Inn Request for waiver of HOT report penalty and interest

DEPARTMENT: Finance

STAFF CONTACT: Monica Harris

RECOMMENDATION:

Staff recommends waiver of penalty only for Hampton Inn's Hotel Occupancy Tax report for period ending March 31, 2020.

BACKGROUND:

The Hotel Occupancy Tax report for period ending March 31, 2020 was due on or before April 30, 2020. Interest on the tax due accrued at 1% per month once the report was late. A penalty of 15% of the tax due was assessed since not paid before July 31, 2020.

Hampton Inn did not file and pay the Hotel Occupancy Tax Report for period ending March 31, 2020 until October 30, 2020, so interest of \$1,537.92 and penalty of \$3,732.31 was assessed. Hampton Inn's corporate office in New York, which was closed due to COVID-19, files the report and pays the taxes for the local Hampton Inn. Hampton Inn has requested a waiver for the penalty and interest.

FISCAL IMPACT SUMMARY:

The Tourism Department in the HOT Fund will not receive the income.

ALTERNATIVES

Waive both the penalty and interest.

Not waive penalty nor interest.