2016-2017 BUDGET QUESTION

Response to Request for Information

DEPARTMENT: Austin Convention Center

REQUEST NO.: 214

REQUESTED BY: Tovo

DATE REQUESTED: 8/25/16

DATE POSTED: 9/5/16

REQUEST: Please update budget question #197 from FY 2014, which asked for the Hotel Occupancy Tax late fees and fines through FY 2013. Are fees and fines associated with the Hotel Occupancy Tax subject to the same requirements governing the use of the tax revenue itself?

RESPONSE:

Hotel occupancy tax delinquency penalty and interest assessments are apportioned ratably to the underlying hotel occupancy tax giving rise to such liability, and are therefore allocated to the receiving City of Austin departmental funds in the same manner as the hotel occupancy tax itself. This follows the general principle of law that interest follows principal. The amounts shown below are inclusive of all fines and fees collected against hotel occupancy taxpayer liabilities to the City of Austin other than direct original hotel occupancy tax billings. To avoid confusion, and for sake of this response, the terms penalty and interest are used interchangeably with the terms fines and fees.

The amounts requested are presented below for FY 2014, FY 2015 and FY 2016 through 07/31/2016.

FY 2014: $128,650.07

FY 2015: $255,724.19

FY 2016: $48,696.99 through 07/31/16