



Transient Occupancy Taxes Deferral Requests

March 2020

TOT REQUEST FOR DEFERRAL

The impact of the COVID-19 pandemic continues and grows exponentially throughout the entire State of California and globally. This is especially true for the hospitality industry. The hotel and lodging industry has been devastated with layoffs, furloughs, and closures, while graciously volunteering to help the industry through multiple volunteer opportunities.

Due to all these factors, as well as the limited government agency staffing, hotels around California are asking their elected officials and city/county government officials for at least a 90-day deferral of transient occupancy payments. We encourage all hotels to engage with these public officials to request a simple deferral in these unprecedented and extraordinary times.

Sample language for a motion to be introduced can be found below. Please note that all cities/counties will have different formats for the motions, and some are being considered as executive orders. This is only meant to be an example for guidance.

To-date, [Los Angeles](#), [Anaheim](#), [West Hollywood](#), Vacaville, and [Woodland](#) have taken various actions to provide relief from transient occupancy tax payments with many other cities/counties considered this action.

MOTION

The public health crisis around COVID-19 is still evolving but has already impacted our local economy. While we do not yet know exactly how long this situation will last, we do know our hotel and hospitality industries have been hit hard and will continue to be impacted as this crisis comes under control.

The tourism industry supports thousands of jobs and is an economic generator to support our local communities. Hotel brands are working with guests to honor cancellations on planned trips and events. Hotels continue to provide guests with the level of service that is required and are working with local communities to support governments in their response to this crisis.

The biggest impact to the hotel industry will be to hotel employee jobs and small business owners. The City must provide relief to this industry so that businesses can continue to pay wages and benefits to its employees.

I THEREFORE MOVE, that the County/City Council delay or extend due dates for 90 days for all Transient Occupancy Taxes and to waive any penalties on late payments.

This is an information service of CHLA. It does not purport to serve as legal or other professional advice, and the counsel of competent professionals should always be sought.

PLEASE NOTE:

Destination assessments such as the Visit California Tourism Marketing Assessment and the various Tourism, Marketing or Business Improvement Districts cannot be adjusted or deferred by cities/counties.

Relatively, the amounts which need to be paid under these assessments is a vastly smaller sum compared to the transient occupancy tax collections. Hotels therefore should continue to timely remit assessments due under the Visit California Tourism Marketing Assessment and the various Tourism, Marketing or Business Improvement Districts.

If your city/county does defer transient occupancy tax payments, please do notify CHLA at covid19info@calodging.com, so we can include those on our web site in the coronavirus resources for others to utilize in their efforts.

CHLA + CABBI Members:

Questions or concerns?

covid19info@calodging.com

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