



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

**HOUSE BILL NO.** 1749

**PRINTERS NO.** 2238

**PRIME SPONSOR:** Staback

### COST / (SAVINGS)

FUND	FY 2011/12	FY 2012/13
General Fund	\$0	\$0

**SUMMARY:** House Bill 1749, Printer's Number 2238, amends the County Code in fiscal affairs, further providing for authorization of hotel tax.

**ANALYSIS:** Section 1770.4 of the County Code currently allows Lackawanna County to impose a maximum hotel tax of up to 4%. This legislation amends Section 1770.4 increasing the maximum rate at which Lackawanna County can levy a hotel tax by 3%, to a maximum of 7%.

Current law provides that 20% of the proceeds be distributed to the tourist promotion agency and 80% be distributed to the county for collection and enforcement, tourist and recreational facilities, sports facilities, visitor centers or other tourism related activities. This legislation changes the distribution such that the tourist promotion agency receives 40% of the revenues and the county receives 60% of the revenues.

The act takes effect in 60 days.

**FISCAL IMPACT:** Enactment of this legislation will have no adverse fiscal impact on Commonwealth funds. Should Lackawanna County decide to levy the additional 3% hotel tax, an estimated additional amount of \$600,000 would be generated.

**PREPARED BY:** Ritchie LaFaver  
House Appropriations Committee (R)

**DATE:** April 3, 2012

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*