

WASHINGTON STATE

# Room Sales Report

Winter 2000/2001

(Nov.-Dec. 2000 & Jan.-Feb. 2001)

**Prepared by:**

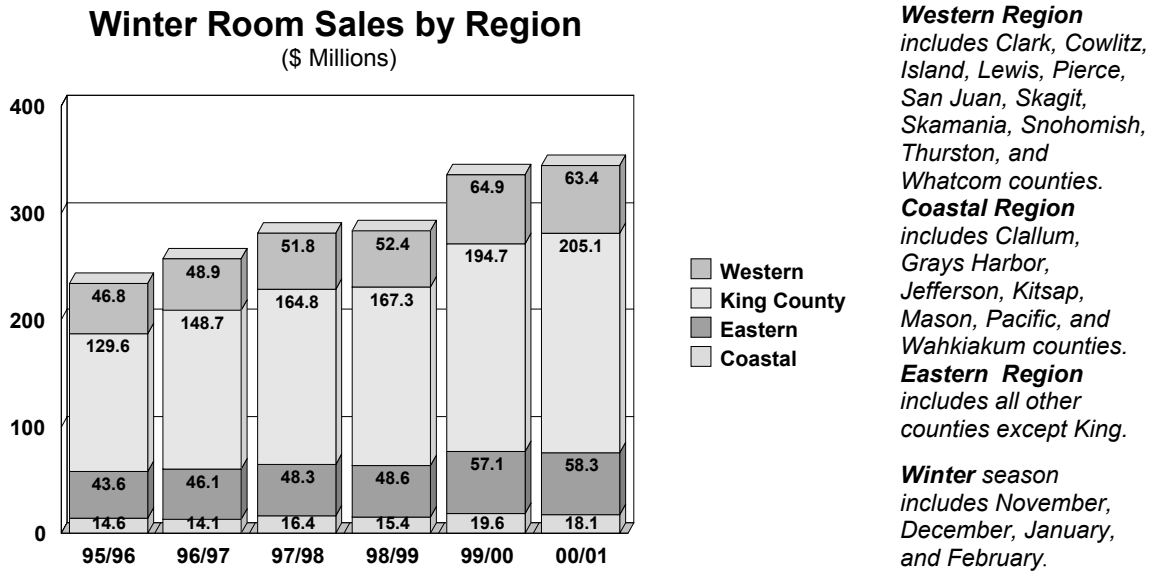
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A 2 percent local option tax is levied on rentals of hotel/motel rooms and commercial campsites for 30 days or less. The tax is levied in most areas of the state of Washington. The state collects the tax and then distributes it back to the cities and counties where it was levied.

The tax revenues may be used for a variety of tourism-related activities.

(See *Washington State Lodging Tax Report*, prepared by Dean Runyan Associates for the Office of Economic Trade and Development.)

The room sales estimates provided in this report are estimated from these 2 percent "state-shared" local option tax receipts (\$1,000 of tax revenues is equivalent to \$50,000 of room sales).

**Winter Room Sales in \$ Millions**

Year	Coastal Region	Eastern Region	King County	Western Region	Washington State
95/96	14.6	43.6	129.6	46.8	234.7
96/97	14.1	46.1	148.7	48.9	257.8
97/98	16.4	48.3	164.8	51.8	281.3
98/99	15.4	48.6	167.3	52.4	283.6
99/00	19.6	57.1	194.7	64.9	336.3
00/01	18.1	58.3	205.1	63.4	344.9
Annual Percentage Change					
96-01	4.3	6.0	9.6	6.3	8.0
00-01	-7.6	2.1	5.3	-2.3	2.6

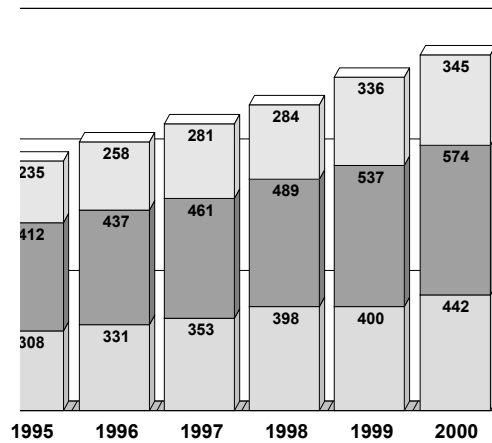
**Room Sales by Season**

\$ Millions

**Winter** (November, December, & January, February of following year)

**Summer-Fall** (July, August, September & October)

**Spring** (March, April, May & June)

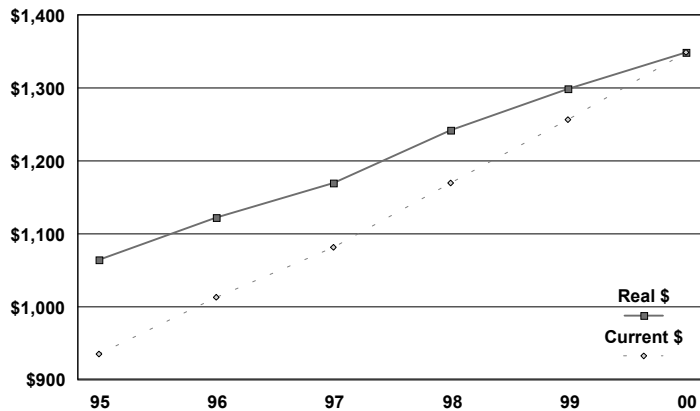


The state-shared 2 percent local option tax is credited against the state's 6.5 percent retail sales tax. Therefore, consumers do not bear the burden of the state-shared tax. Local governments within Washington are also eligible to levy an additional hotel/motel tax of up to 4 percent (not reported in this document). Up to one-half of the additional taxes can be credited against the state sales tax.

Estimates of room sales from hotel/motel tax receipts do not necessarily reflect changes in visitor volume. The volume (room-nights) is also affected by changes in room rates, which are a function of the demand and supply of rooms, as well as inflation. As indicated in the graph below, the rate of growth of room sales in real dollars is still positive over the past five years when adjusted for inflation.

**Washington State Annual Room Sales  
Real and Current Dollars**

\$ Millions



The state-shared 2 percent tax distributions used in this report to estimate room sales were provided by the Washington State Department of Revenue. This data, as well as the distributions of Additional Hotel/Motel taxes, is reported on a monthly basis for cities and counties on the Department's web site (<http://dor.wa.gov>). Users of this report may also wish to refer to other reports prepared by Dean Runyan Associates for the Office of Economic Trade and Development.