

Washington State Department of Community,  
Trade and Economic Development

# Lodging Tax Expenditure Report Guidelines for Filling Out the Expenditure Report Form

July 1, 2008



**CTED** | Community, Trade and  
Economic Development

# Why collect this information?

- Purpose is to document economic benefits associated with using lodging tax funds (RCW 67.28.1816 (2), amended 2008)
- Required by Legislature – HB 3206
- The Washington Department of Community, Trade and Economic Development (CTED), designated to collect and maintain the data
- Data will be reviewed by Legislative Auditor (JLARC)



# Overall Recommendations for Data Collection

- Set up a procedure to collect the necessary data throughout the year – avoid trying to assemble it from scratch at the last minute
- Use the most accurate data that you can
- Explain how you collected the data and used it for your calculations



# Estimating Total Attendance

- For facilities (e.g., museums, theaters) use your annual attendance count
- For events, estimate total attendance over the time of the event
  - Paid admission, if applicable
  - If free admission, use a method such as periodically counting people and/or vehicles, estimating crowds in particular area(s); police or other officials may have estimates
- For multiple-day events, try to count each attendee only once



# Getting Information About Your Users or Attendees

- Use a systematic way to gather data on users -- this means a survey of some kind
- Need data to cover the entire year (i.e., an annual average)
- Need to break out users: are they visitors (tourists) or local area residents
- If they are visitors, what type of lodging are they using
- Also need information on the length of stay



# Estimating Attendance Breakouts – Facilities

- Conduct a survey that samples users over the course of a year
- Try to sample so as to get a good average for the year
- Use a standardized set of questions – typically a brief printed questionnaire is best
- Get 400 responses if possible; at least 200
- Use data from a point of sale system, if it allows asking questions



# Examples of Questions to be Asked

- Are you a visitor (tourist)?  Yes  No
- How far away do you live?  50 miles or more  
 less than 50 miles
- Are you staying overnight in this community?  
 Yes  No
  - If yes: Are you staying in a hotel, motel, B&B?  Yes  No
  - If yes: How many nights are you staying? \_\_\_ number nights
- Record carefully: total number of people asked, and the number of responses to each question



# Estimating Attendance Breakouts – Events

- Use a systematic procedure – some form of survey of attendees
- Sample attendees so as to represent entire event to the extent possible
- Get 400 responses if possible; at least 200
- Ask same questions as above



# Estimating Room Nights - Facility

- Based on annual user counts and user/attendee breakout data
- One number representing the year
- Room Nights =  
    [Total Users] x  
    [% Overnight] x  
    [% Overnight in Hotel/Motel/BB] x  
    [Average # Nights Stayed]



# Estimating Room Nights - Events

- Based on event user counts and attendee breakout data
- One number representing the event
- Room Nights =  
[Total Event Attendees] x  
[% Overnight] x  
[% Overnight in Hotel/Motel/BB] x  
[Average # Nights Stayed]



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