



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1478

PRINTERS NO. 1785

PRIME SPONSOR: Sonney

COST / (SAVINGS)

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

SUMMARY: House Bill 1478, Printer's Number 1785, amends the County Code in alternative provision for third class county convention center authorities, further providing for hotel room rental tax.

ANALYSIS: The Third Class County Convention Center Authority Act (Alternative Provision) within the County Code provides for the imposition of up to a 5% hotel room rental tax in Erie County. This legislation allows the county to increase the hotel room rental tax rate by 2% to a maximum of 7%. Revenue from the new 2% tax shall be deposited into the tourist promotion agency fund for use by the county's designated tourist promotion agency.

The act shall take effect in 60 days.

FISCAL IMPACT: Enactment of this legislation will have no adverse fiscal impact on Commonwealth funds. The current 5% Hotel Room Rental Tax in Erie County generated a total of \$2,948,646 in 2010. Should Erie County decide to levy the additional 2% tax, an estimated additional amount of approximately \$1.2 million 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.