

Award Winning Calculator Helps Local Agencies Predict Hotel Occupancy Tax Revenues

Written by Australian Business

ATLANTA--([BUSINESS WIRE](#))--PKF Hospitality Research, LLC (PKF-HR) today announced the release of the “Hotel Occupancy Tax Calculator,” an Excel-based tool that gives local agencies the ability to incorporate objectively developed forecasts into their estimates of future hotel occupancy tax collections.

“The calculator helps agencies improve their projections and avoid operational inefficiencies, such as unjustified budget cuts, hiring freezes and changes in tourism promotion efforts,” said Jamie Lane, senior economist with PKF-HR.

The award-winning calculator estimates taxed revenues for the next five years using the PKF-HR *Hotel Horizons*® econometric forecasting methods. These highly accurate forecasts come from estimating the stable statistical relationship between measures of the economy and hotel performance for the metropolitan area in which the tax district is located.

“The Hotel Occupancy Tax Calculator allows users to customize their forecasts based on the taxing jurisdiction historical data and also make alternative assumptions about key inputs, such as occupancy tax rates,” Lane added.

The PKF-HR effort to assist local agencies dependent on the occupancy tax was recognized with an “Extra! Extra! Hear All About It” award at the 2014 Americas Lodging Investment Summit (ALIS) conference.

“The calculator makes the work of Destination Marketing Organization (DMO) and Convention and Visitor Bureau (CVB) managers easier by automating and improving occupancy tax revenue predictions. Important local agencies, such as stadium authorities, airport authorities and other public/private ventures, also will benefit. Linking future occupancy tax collections to future economic and hotel market conditions in jurisdictions represents a major innovation,” said R. Mark Woodworth, president of PKF-HR.

“Historically we have prepared our own lodging forecasts to project the tax revenues that will fund our organization,” said Gregory Pierce, EVP and CAO/CFO of the Atlanta

Convention & Visitors Bureau. “The PKF-HR Hotel Occupancy Tax Calculator provides a rigorous and objective opinion that we weigh against our internal estimates.”

DMOs and CVBs can supplement the benefit of the Hotel Occupancy Tax Calculator by analyzing additional editions of the *Hotel Horizons*® reports that drive the tool. “In addition to the *Hotel Horizons*® forecast report for Chicago, we added subscriptions to *Hotel Horizons*®

reports for five other lodging markets. This allows us to benchmark our hotel performance versus some of our closest competitors,” said David E. Czechowski, director and senior economist in the research and analysis department of Choose Chicago.

A new report entitled “Projecting Hotel Occupancy Tax Revenues: An Objective Approach” has been prepared by Natalie Koller, a consultant in the Atlanta office of PKF Consulting USA, LLC. The article describes how DMOs and other agencies benefit from more accurate forecasts of lodging revenues. The article can be downloaded gratis from www.pkfc.com/occupancytaxcalculator.

PKF-HR will be demonstrating the Hotel Occupancy Tax Calculator at the Destination Marketing Association International annual convention in Las Vegas from July 21 to 23, 2014. In addition, Mr. Woodworth will be presenting the PKF-HR lodging forecasts during a session entitled, “Travel and Tourism Industry Forecasts.” The session is scheduled for 3 PM on Wednesday, July 23. “We encourage everyone in attendance to attend Mark’s presentation, and stop by our booth in the exhibition hall during the Business Exchange for a demonstration,” Lane stated.

To purchase the Hotel Occupancy Tax Calculator for one of 55 markets in the U.S., please visit <http://www.pkfc.com/store/products.aspx?CategoryID=452>.

ABOUT PKF CONSULTING USA, LLC

Headquartered in San Francisco, PKF Consulting USA, LLC (www.pkfc.com) is an

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advisory and real estate firm specializing in the hospitality industry. PKF Consulting USA, LLC operates two companies: PKF Consulting USA and PKF Hospitality Research, LLC. The firm has offices in New York, Boston, Indianapolis, Chicago, Philadelphia, Washington DC, Atlanta, Jacksonville, Orlando/Tampa, Dallas/Houston, Los Angeles, Bozeman, and San Francisco.

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