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COVID-19 DEVASTATES TOURISM IN ERIE COUNTY

Bed tax collections less than half of what they are in a typical year

(ERIE COUNTY, NY) – The Erie County Comptroller’s office reports that the Covid-19 pandemic has had a devastating impact on Erie County’s tourism industry. The amount of bed tax collected in 2020 was \$4,474,381.81. That equates to a 61.21% drop from 2019, when Erie County hotels and motels collected \$11,536,042.12 in bed tax.

“When you shut down economies and restrict travel, businesses suffer. Erie County relies heavily on the tourism industry, especially in summer. Without the festivals, without restaurants and bars open, visitors aren’t spending their money here. As a result our economy takes a huge hit,” said Comptroller Mychajliw.

The drop of \$7,061,657.31 in bed tax collected from 2019 to 2020 came as hotels and motels struggled to keep their doors open. Many requested additional time to make those payments. The Erie County Comptroller waived penalties as is permitted by law, which allowed many establishments to make the late payments.

“These businesses and this industry have already suffered enough. I had the ability to say to those making late payments that we would not fin them for doing so. We need to help businesses through COVID, not punish them,” said Comptroller Mychajliw.

Visit Buffalo Niagara receives \$3.5 million in bed tax revenue, which in a typical year would represent about 31% of bed tax revenue coming in to Erie County. The 2020 Erie County budget projected the County would collect about \$11.6 million in bed tax. The coronavirus had a profound impact on those projections. In the 2021 budget, the Administration projects bed tax collections to be \$9,562,689.

“We need to get businesses back open. Many of these businesses are barely hanging on. Government mandated COVID closures not based on science but irrational power and control is destroying the economy. A 61% drop in a major revenue source for Erie County is not sustainable,” concluded Comptroller Mychajliw.