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ERIE COUNTY COMPTROLLER

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COMPTROLLER CONTINUES HELPING BUSINESSES BY WAIVING HOTEL OCCUPANCY TAX PENALTIES

Comptroller Mychajliw provides relief for hotels crippled by COVID related closures

(ERIE COUNTY, NY) – Erie County Comptroller Stefan Mychajliw announced his continuation of waiving all penalties for Erie County hotels that are late paying Hotel Occupancy Tax. The restrictions on travel due to COVID-19 have resulted in far fewer visitors and hotel room stays this year. As a result, many of the region’s hotels and motels are struggling, many of them closed for good. Comptroller Mychajliw will continue his policy of waiving penalties for those that request to make late payment on the commonly called “Bed Tax.”

“I will do whatever I can to help struggling businesses. Overreaching COVID closures that shut down of our economy are crippling industries, like travel and tourism. Now is not the time to punish businesses. Through no fault of their own, hotels find themselves hurting financially. Government needs to help, not hurt them. Hopefully by continuing to waive the late payment penalty it will provide relief to the struggling hotel industry,” said Comptroller Mychajliw.

By law, the Erie County Comptroller can waive penalties for those late in paying their bed tax but cannot waive interest accrued due to the late payments. The adopted 2020 budget had projected hotel occupancy tax collections to be \$11,600,000, but actual revenues are down almost 61% for the first nine months of the year.

So far, for the first three quarters of this year, the Office of Erie County Comptroller collected \$3,365,475.55 in bed tax. This revenue is far below the \$8,614,577.36 in bed tax collected for the first nine months of 2019.

Letters have been sent to all Erie County hotels and motels advising them that, because of travel restrictions bringing tourism to a standstill, the Erie County Comptroller’s Office will waive the 5% late payment penalty for hotel occupancy tax. This must be renewed quarterly by Comptroller Mychajliw.

“People are not traveling. They are staying home. In the past, we relied on out-of-town visitors to boost our hotel bookings. COVID restrictions ended this revenue stream,” concluded Comptroller Mychajliw.

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