

LODGING TAX REPORT: 2022 Lodging Tax Expenditures Update

JLARC COMPILATION OF MUNICIPAL REPORTS

About the Report

Report presents data from municipalities about the use of lodging tax revenue

This report summarizes lodging tax expenditure data for calendar years 2014 through 2022, as reported by cities, towns, and counties that receive a distribution of lodging tax revenue.

Municipalities collect and use lodging tax revenue for tourism-related activities

Cities, towns, and counties may levy a tax on lodging in two ways. Lodging includes overnight stays at hotels, motels, bed and breakfasts, RV parks, and other short-term accommodations. These municipalities may:

1. Collect a tax of up to 2% that is taken as a credit against the state sales tax.
2. Collect an additional sales tax of up to 2%.

The Department of Revenue (DOR) collects the lodging tax and distributes the revenue back to municipalities. Municipalities may spend their lodging tax revenue on three types of tourism-related activities under [RCW 67.28.1816](#):

- Tourism marketing.
- Special events and festivals designed to attract tourists.
- Capital expenditures for tourism-related facilities owned by the municipality.

The municipality may spend the funds directly or award funds to local organizations, such as convention and visitors' bureaus or destination marketing agencies.

JLARC publishes expenditure data from municipalities. Municipalities are responsible for the accuracy of their data.

In 2013, the Legislature directed the Joint Legislative Audit and Review Committee (JLARC) to collect and report information about local use of lodging tax revenue for tourism purposes.

- JLARC staff maintains an online reporting system, provides [reporting guidelines](#), and publishes the data each year.

- Any municipality that receives a distribution of lodging tax revenue must report information to JLARC ([RCW 67.28.1816](#)). King County is exempt from reporting ([RCW 67.28.1816\(2\)\(d\)](#)).
- Municipalities are responsible for the accuracy of their data. JLARC staff do not independently verify the information.

Questions about the reported information should be directed to the individual municipality. To learn more about the reporting process, please visit [JLARC's Lodging Tax Data Collection page](#).

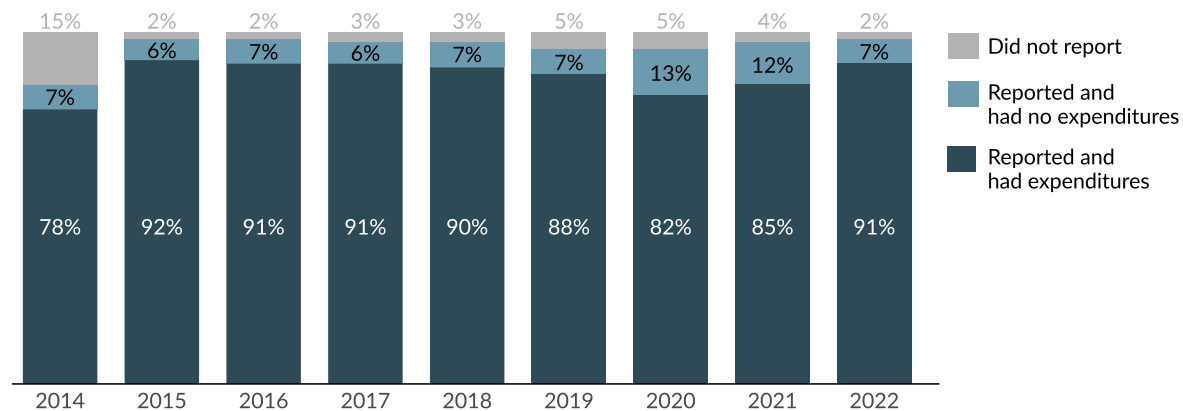
Statewide Summary

98% of municipalities reported 2022 lodging tax expenditures

The Department of Revenue identified 200 municipalities that received a distribution of lodging tax revenue in 2022.

- 196 (98%) reported information to the Joint Legislative Audit and Review Committee (JLARC).
- Another five municipalities did not receive lodging tax revenue but reported information to JLARC.
- See the Interactive Data section for more detail on reporting compliance.

Exhibit 2.1: 98% of municipalities that received a distribution of lodging tax revenue in 2022 reported information



Municipality reporting status	2014	2015	2016	2017	2018	2019	2020	2021	2022
Received funds (report required)	195	195	202	198	197	202	191	195	200
Reported lodging tax expenditures	152	180	184	180	178	177	157	165	182
Reported no expenditures	13	12	14	12	14	15	24	23	14
Did not report	30	3	4	6	5	10	10	7	4
Did not receive funds, but filed a report	0	0	0	4	1	0	11	9	5

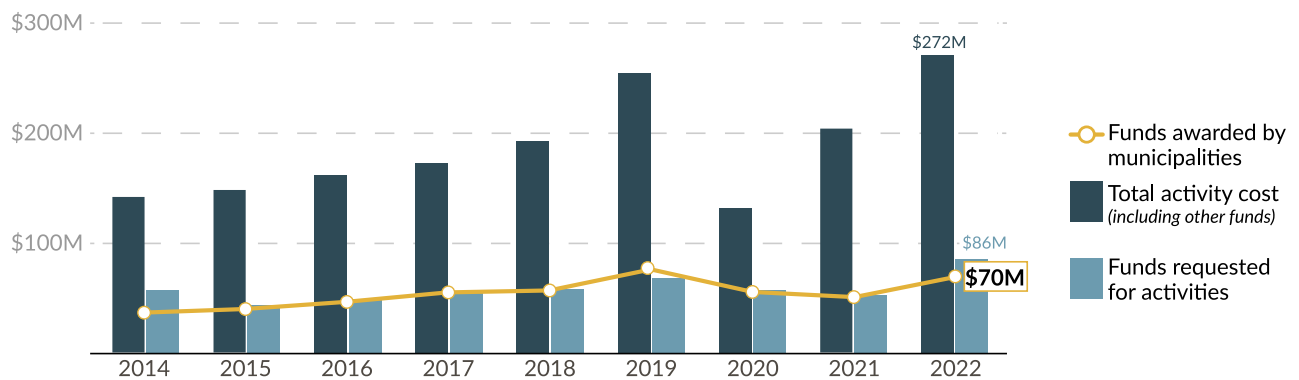
Source: JLARC staff analysis of municipalities' data.

The expenditure reporting form allows municipalities to indicate if an event was affected by COVID-19. Municipalities reported 216 events (14%) were affected by COVID-19, including rescheduled and cancelled events. For comparison, municipalities reported that 49% of events were affected by COVID-19 in 2021.

Statewide, municipalities reported \$70 million awarded, 101 million attendees, and 16 million paid lodging nights

The following exhibits summarize statewide data. Municipal summaries and activity-specific data can be found in the Interactive Data section.

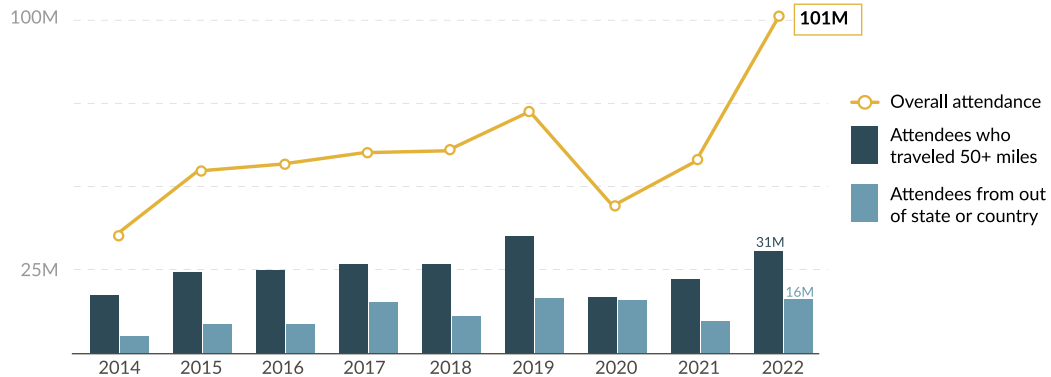
Exhibit 2.2: Municipalities awarded \$70 million in lodging tax revenue in 2022



	2014	2015	2016	2017	2018	2019	2020	2021	2022
Funds requested for activities	\$57.4M	\$44.2M	\$49.8M	\$56.4M	\$58.2M	\$68.9M	\$57.4M	\$53.4M	\$85.8M
Funds awarded by municipalities	\$37.1M	\$40.4M	\$46.9M	\$55.5M	\$57.3M	\$76.4M	\$55.9M	\$51.3M	\$69.8M
Total activity cost (including other funds)	\$142.3M	\$147.8M	\$163.0M	\$173.5M	\$192.3M	\$253.6M	\$133.2M	\$204.7M	\$272.1M

Source: Reports provided by municipalities that received a distribution of lodging tax revenue during 2014 through 2022, as identified by the Department of Revenue. Some municipalities did not spend lodging tax revenue or submit reports. JLARC staff compile, but do not verify, this information.

Exhibit 2.3: Municipalities reported 101 million attendees in 2022

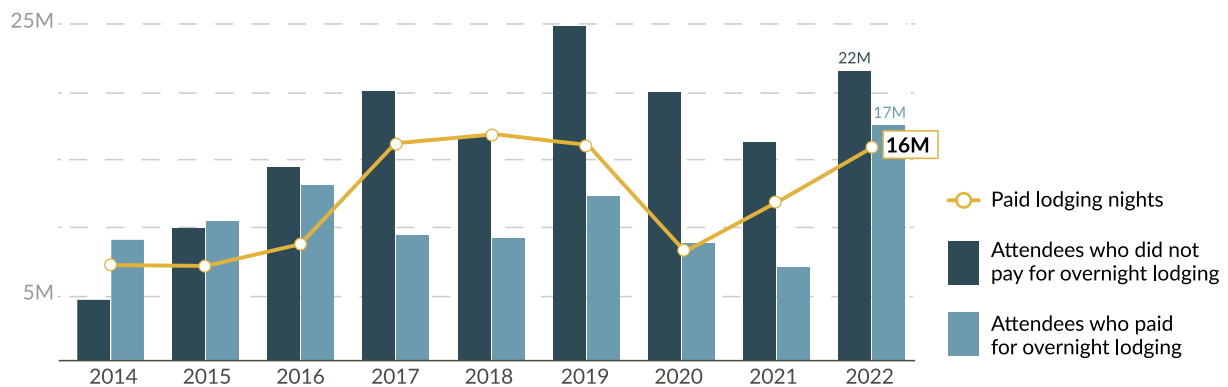


	2014	2015	2016	2017	2018	2019	2020	2021	2022
Overall attendance	35.4M	54.9M	56.9M	60.4M	61.0M	72.7M	44.4M	57.8M	101.3M
Attendees who traveled 50+ miles	17.6M	24.4M	25.1M	26.9M	26.8M	35.2M	17.0M	22.4M	30.9M
Attendees from out of state or country	5.2M	8.8M	8.7M	15.4M	11.1M	16.5M	15.8M	9.4M	16.0M

Source: Reports provided by municipalities that received a distribution of lodging tax revenue during 2014 through 2022, as identified by the Department of Revenue. Some municipalities did not spend lodging tax revenue or submit reports. JLARC staff compile, but do not verify, this information.

Note: Some municipalities reported incomplete data to JLARC. Attendance subtotals may not equal the overall attendance.

Exhibit 2.4: Municipalities reported 16 million paid lodging nights in 2022



	2014	2015	2016	2017	2018	2019	2020	2021	2022
Paid lodging nights	7.0M	7.0M	8.5M	16.1M	16.8M	16.1M	8.0M	11.9M	16.0M
Attendees who did not pay for overnight lodging	4.3M	9.9M	14.3M	20.1M	16.5M	24.8M	20.0M	16.3M	21.5M
Attendees who paid for overnight lodging	8.9M	10.2M	13.3M	9.2M	9.2M	12.4M	8.8M	6.8M	17.3M

Source: Reports provided by municipalities that received a distribution of lodging tax revenue during 2014 through 2022, as identified by the Department of Revenue. Some municipalities did not spend lodging tax revenue or submit reports. JLARC staff compile, but do not verify, this information.

Note: Some municipalities reported incomplete data to JLARC. Attendance and lodging totals may not equal overall attendance.

Interactive Data

View 2022 data in interactive dashboards

Municipal Summary

View each municipality's annual funding, attendance, and lodging data

[View dashboard](#)

This interactive dashboard presents annual totals for activities funded by lodging tax revenue in each municipality. Data includes predicted and actual figures for attendance and lodging nights.

- All data columns are listed in blue across the top of the window. Our glossary defines each term.
- Use the drop-down filters to filter data by year, activity type, and municipality. Click "apply" to filter the data.
- Blank highlighted fields indicate that the municipality did not report data.
- Selecting "activity type" will display aggregate data for all activities of that type. Data about individual activities (e.g., a community festival) can be found in the activity-specific data section.

Activity-specific data

View the funding, attendance, and lodging data for each activity

[View dashboard](#)

This interactive dashboard provides funding, attendance, and lodging data for over 13,147 activities funded by lodging tax revenue from 2014 through 2022.

- All data columns are listed in blue across the top of the window. Our glossary defines each term.
- Use the drop-down filters to filter data by year, activity type, and municipality. Click "apply" to filter the data.
- Blank highlighted fields indicate that the municipality did not report data.

Compliance

Reporting is required by state law

[View dashboard](#)

[RCW 67.28.1816](#) requires municipalities (cities, towns, and counties) that levy a lodging tax to report expenditures of their lodging tax revenue.

Joint Legislative Audit and Review Committee (JLARC) staff summarized compliance into four categories:

1. **Did not report:** the municipality received a distribution of lodging tax revenue during the year, but failed to report expenditures to JLARC.
2. **No state distribution:** the municipality did not receive lodging tax revenue during this year and did not report expenditures to JLARC.
3. **Reported:** the municipality reported lodging tax expenditures to JLARC.
4. **Reported no expenditures:** the municipality received a distribution of lodging tax revenue and reported to JLARC that they did not spend any lodging tax revenue.

Use the drop-down filters to filter the data by municipality and year.

View or save all data

The Excel file linked below contains all lodging tax data reported to JLARC for 2014 through 2022.

- Please note that JLARC staff do not independently verify the data reported by municipalities.
- Blank fields indicate that the municipality did not report data.

To download the data, click the link below.

[Complete 2014 - 2022 Data](#)

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