

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
GOVERNOR LINCOLN D. CHAFEE



DEPARTMENT OF REVENUE
Office of Revenue Analysis

State of Rhode Island Monthly Hotel Report
FY 2014 5.0 Percent State Hotel Tax Allocation July 2013

Beginning in June 2012, the Rhode Island Department of Revenue will issue a report on the allocation of the 5.0 percent state hotel tax, as required by Rhode Island General Laws §§ 42-63.1-3 and 42-63.1-12. The report is meant to be descriptive and does not purport to project or assess the collection of the 5.0 percent state hotel tax. The report provides information on the year-over-year and fiscal year-to-date allocation of the proceeds from the 5.0 percent state hotel tax.

SUMMARY OF THE 5.0 PERCENT STATE HOTEL TAX ALLOCATION

Analysis of Year-over-Year Allocation for July:

The following table is a summary of the year-over-year allocation of revenues generated from the 5.0 percent state hotel tax.

Allocation	FY 2014	FY 2013	Percent Change	Nominal Difference
Regional Tourism Districts	\$ 884,267	\$ 836,409	5.7 %	\$ 47,858
Municipalities	499,314	472,482	5.7 %	26,832
State of Rhode Island	442,457	419,664	5.4 %	22,794
Prov. Warwick Convention & Visitors Bureau	230,934	220,429	4.8 %	10,506
Rhode Island Convention Center Authority	25,593	25,310	1.1 %	283
TOTAL 5.0% STATE HOTEL TAX	\$ 2,082,566	\$ 1,974,294	5.5 %	\$ 108,272

The total revenues generated from the 5.0 percent state hotel tax in July 2013 were \$2.08 million, an increase of \$108,272 or 5.5 percent over the \$1.97 million received in July 2012. The largest share of these revenues was distributed to the State's eight regional tourism districts. In July 2013, the regional tourism districts received \$884,267 of the total revenues generated from the 5.0 percent state hotel tax, an increase of \$47,858 or 5.7 percent over the \$836,409 received in July 2012.

Twenty-five percent of the revenues generated from the 5.0 percent state hotel tax are distributed to the municipalities where the individual hotels are located. The City of Providence receives the same allocation from all of the hotels located in the city, except from the Omni Providence Hotel. In July 2013, the State's cities and towns received \$499,314, an increase of \$26,832 or 5.7 percent over the \$472,482 received in July 2012.

The Rhode Island Convention Center Authority (RICCA) receives 30.0 percent of the revenues generated from the 5.0 percent state hotel tax at the Omni Providence Hotel. In July 2013, the RICCA received \$25,593, an increase of \$283 or 1.1 percent over the \$25,310 received in July 2012.

The State's share of the revenues generated from the 5.0 percent state hotel tax is 21.0 percent, except from the Omni Providence Hotel, where it is 27.0 percent. In July 2013, the State received \$442,457 from the 5.0 percent state hotel tax, an increase of \$22,794 or 5.4 percent over the \$419,664 received in July 2012. The State's share of the revenues generated from the 5.0 percent hotel tax is deposited into the miscellaneous departmental revenues component of departmental receipts.

The Providence Warwick Convention & Visitors Bureau (PWCVB) receives 23.0 percent of the revenues generated from the assessment of the 5.0 percent state hotel tax at hotels located in Providence and Warwick, 12.0 percent of the revenues generated from the application of the 5.0 percent state hotel tax at the Omni Providence Hotel, and 7.0 percent of the revenues generated from the application of the 5.0 percent state hotel tax on all other hotels located in the State. In July 2013, the PWCVB received \$230,934, an increase of \$10,506 or 4.8 percent over the \$220,429 received in July 2012.

Analysis of Fiscal Year-to-Date through July:

Given that July is the first month of the fiscal year there are no differences between the year-over-year and the fiscal year-to-date analyses.

DETAIL OF THE 5.0 PERCENT STATE HOTEL TAX ALLOCATION

Analysis of Year-over-Year Allocation for July:

The table *Detail of Rhode Island 5.0% State Hotel Tax Allocation: Year-over-Year and Fiscal Year-to-Date Collections* provides a breakdown of the distribution of the revenues generated from the 5.0 percent state hotel tax on a year over year and fiscal year to date basis. The State has eight regional tourism districts: (1) the Aquidneck Island Tourism District¹; (2) Block Island; (3) the Convention Authority of the City of Providence; (4) East Providence²; (5) the Northern Rhode Island Tourism District³; (6) the South County Tourism District⁴; (7) the

¹ Barrington, Bristol, Jamestown, Little Compton, Middletown, Newport, Portsmouth, Tiverton, and Warren

² East Providence is not a member of any tourism district at this time. At such time that the City elects to join an established tourism district, all accrued and future revenues generated from the assessment of the 5.0 percent state hotel tax at hotels located in East Providence will be allocated to the selected tourism district.

³ Burrillville, Central Falls, Cumberland, Gloucester, Lincoln, North Smithfield, Pawtucket, Smithfield and Woonsocket

District⁵; and (8) the Warwick Department of Economic Development. The regional tourism districts are administered by either a regional council, a municipal government entity, or, in the case of the Statewide Tourism District, the Rhode Island Economic Development Corporation.

In general, the regional tourism districts receive 47.0 percent of the revenues generated from the assessment of the 5.0 percent state hotel tax at hotels located in the district. The exceptions to this allocation are the Convention Authority of the City of Providence, which receives 31.0 percent of the 5.0 percent state hotel tax revenues generated from all of the hotels situated in Providence, including the Omni Providence Hotel, and the Warwick Department of Economic Development, which receives 31.0 percent of the 5.0 percent state hotel tax revenues generated from all of the hotels located in the City of Warwick.

In July 2013, the Aquidneck Island Tourism District received the largest portion of the tourism districts' share at \$385,524, an increase of \$39,214 or 11.3 percent over the \$346,310 received in July 2012. The South County Tourism District was the second largest recipient in July 2013 at \$180,976, a decrease of \$5,263 or -2.8 percent over the \$186,239 received in July 2012. The Convention Authority of the City of Providence was the third largest recipient in July 2013 at \$116,258, an increase of \$5,732 or 5.2 percent over the \$110,526 received in July 2012.

The three regional tourism districts with the largest percentage increase in revenues generated from the 5.0 percent state hotel tax between July 2013 and July 2012 were: East Providence, 32.9 percent; Aquidneck Island, 11.3 percent; and Block Island, 8.2 percent. The two regional tourism districts with a percentage decrease in revenues generated from the 5.0 percent state hotel tax between July 2013 and July 2012 were: South County, -2.8 percent and Northern Rhode Island, -1.2 percent.

The three regional tourism districts with the largest nominal increase in revenues generated from the 5.0 percent state hotel tax between July 2013 and July 2012 were: Aquidneck Island, \$39,214; Block Island, \$6,111; and the Convention Authority of the City of Providence, \$5,732. The two regional tourism districts with a nominal decrease in revenues generated from the 5.0 percent state hotel tax between July 2013 and July 2012 were: South County, -\$5,263 and Northern Rhode Island, -\$409.

The table *Rhode Island 5.0% State Hotel Tax Allocation to Municipalities: Year-over-Year and Fiscal Year-to-Date Collections* shows the portion of revenues generated from the 5.0 percent state hotel tax distributed to the cities and towns in Rhode Island. In July 2013, Newport received the largest portion of the municipalities' share of the revenue generated from the 5.0 percent state hotel tax at \$127,489, an increase of \$8,691 or 7.3 percent over the \$118,799 received in July 2012. Providence received the second largest portion of the municipalities' share of the 5.0 percent state hotel tax in July 2013 at \$72,429, an increase of \$4,387 or 6.4 percent over the \$68,042 received in July 2012. Middletown received the third largest portion of the municipalities' share of the 5.0 percent state hotel tax in July 2013 at \$68,101, an increase of \$10,631 or 18.5 percent over the \$57,470 received in July 2012.

⁴ Charlestown, Coventry, East Greenwich, Exeter, Hopkinton, Narragansett, North Kingstown, Richmond, South Kingstown, West Greenwich, and Westerly

⁵ Cranston, Foster, Johnston, North Providence, Scituate, and West Warwick

The five municipalities with the largest percentage increase in revenues generated from the 5.0 percent state hotel tax between July 2013 and July 2012 were: North Smithfield, 58.4 percent; Coventry, 47.2 percent; East Providence, 32.9 percent; Portsmouth, 27.7 percent; and Cranston, 26.8 percent. The five municipalities with the largest percentage decrease in revenues generated from the 5.0 percent state hotel tax between July 2013 and July 2012 were: Johnston, -40.3 percent; East Greenwich, -25.1 percent; Woonsocket, -19.5 percent; Jamestown, -16.1 percent; and Westerly, -9.9 percent.

The five municipalities with the largest nominal increase in revenues generated from the 5.0 percent state hotel tax between July 2013 and July 2012 were: Middletown, \$10,631; Newport, \$8,691; Providence, \$4,387; New Shoreham, \$3,251; and Coventry, \$1,773. The five municipalities with the largest nominal decrease in revenues generated from the 5.0 percent state hotel tax between July 2013 and July 2012 were: Westerly, -\$5,757; South Kingstown, -\$732; Woonsocket, -\$629; Johnston, -\$261; and Pawtucket, -\$211.

Analysis of Fiscal Year-to-Date through July:

Given that July is the first month of the fiscal year there are no differences between the year-over-year and the fiscal year-to-date analyses.



Rosemary Booth Gallogly
Director, Department of Revenue

September 27, 2013

DETAIL OF RHODE ISLAND 5.0% STATE HOTEL TAX ALLOCATION
Year-over-Year and Fiscal Year-to-Date Collections

Allocation	Share	Year-over-Year and Fiscal Year-to-Date				
		July 2013	July 2012	Percent Change	Difference	
PROVIDENCE HOTELS*						
Convention Authority of Providence	31%	\$ 89,812	\$ 84,372	6.4%	\$ 5,440	
City of Providence	25%	72,429	68,042	6.4%	4,387	
State of Rhode Island	21%	60,840	57,155	6.4%	3,685	
Prov. Warwick Convention & Visitors Bureau	23%	66,634	62,598	6.4%	4,036	
Subtotal - Providence Hotels	100%	\$ 289,715	\$ 272,167	6.4%	\$ 17,548	
OMNI PROVIDENCE HOTEL*						
Convention Authority of Providence	31%	\$ 26,446	\$ 26,154	1.1%	\$ 292	
RI Convention Center Authority	30%	25,593	25,310	1.1%	283	
State of Rhode Island - Omni Providence Hotel	27%	23,034	22,779	1.1%	255	
Prov. Warwick Convention & Visitors Bureau	12%	10,237	10,124	1.1%	113	
Subtotal - Omni Providence Hotel	100%	\$ 85,311	\$ 84,368	1.1%	\$ 943	
WARWICK HOTELS						
Warwick Dept. of Economic Dev.	31%	\$ 66,911	\$ 66,772	0.2%	\$ 139	
City of Warwick	25%	53,961	53,849	0.2%	112	
State of Rhode Island	21%	45,327	45,233	0.2%	94	
Prov. Warwick Convention & Visitors Bureau	23%	49,644	49,541	0.2%	103	
Subtotal - Warwick Hotels	100%	\$ 215,843	\$ 215,394	0.2%	\$ 449	
ALL OTHER HOTELS						
Regional Tourism Districts						
<i>South County</i>	47%	\$ 180,976	\$ 186,239	-2.8%	\$ (5,263)	
<i>Northern RI</i>	47%	33,907	34,316	-1.2%	(409)	
<i>Aquidneck Island</i>	47%	385,524	346,310	11.3%	39,214	
<i>Block Island</i>	47%	80,947	74,836	8.2%	6,111	
<i>East Providence</i>	47%	5,304	3,990	32.9%	1,314	
<i>Statewide</i>	47%	14,441	13,421	7.6%	1,020	
<i>Subtotal - Tourism Districts</i>	47%	\$ 701,098	\$ 659,112	6.4%	\$ 41,986	
Municipalities	25%	\$ 372,924	\$ 350,591	6.4%	\$ 22,333	
State of Rhode Island	21%	313,256	294,497	6.4%	18,760	
Prov. Warwick Convention & Visitors Bureau	7%	104,419	98,166	6.4%	6,253	
Subtotal - All Other Hotels	100%	\$ 1,491,697	\$ 1,402,365	6.4%	\$ 89,333	
TOTAL 5.0 PERCENT STATE HOTEL TAX		\$ 2,082,566	\$ 1,974,294	5.5%	\$ 108,272	

*The City of Providence does not receive any share of the state 5.0 percent hotel tax revenues generated from the Omni Providence Hotel.

RHODE ISLAND 5.0% STATE HOTEL TAX ALLOCATION TO MUNICIPALITIES
Year-over-Year and Fiscal Year-to-Date Collections

MUNICIPALITY	Year-over-Year and Fiscal Year-to-Date			
	July 2013	July 2012	Percent Change	Difference
BARRINGTON	\$ -	\$ -	n/a	\$ -
BRISTOL	5,218	4,266	22.3%	952
BURRILLVILLE	-	-	n/a	-
CENTRAL FALLS	-	-	n/a	-
CHARLESTOWN	2,983	2,532	17.8%	450
COVENTRY	5,526	3,753	47.2%	1,773
CRANSTON	710	560	26.8%	150
CUMBERLAND	-	-	n/a	-
EAST GREENWICH	39	52	-25.1%	(13)
EAST PROVIDENCE	2,821	2,122	32.9%	699
EXETER	-	-	n/a	-
FOSTER	-	-	n/a	-
GLOCESTER	143	127	12.5%	16
HOPKINTON	-	-	n/a	-
JAMESTOWN	802	956	-16.1%	(154)
JOHNSTON	387	648	-40.3%	(261)
LINCOLN	4,789	4,668	2.6%	121
LITTLE COMPTON	1,868	1,474	26.8%	394
MIDDLETOWN	68,101	57,470	18.5%	10,631
NARRAGANSETT	11,894	11,207	6.1%	687
NEWPORT	127,489	118,799	7.3%	8,691
NEW SHOREHAM	43,057	39,806	8.2%	3,251
NORTH KINGSTOWN	6,003	5,552	8.1%	451
NORTH PROVIDENCE	-	-	n/a	-
NORTH SMITHFIELD	185	117	58.4%	68
PAWTUCKET	2,875	3,087	-6.8%	(211)
PORTSMOUTH	1,588	1,244	27.7%	345
PROVIDENCE	72,429	68,042	6.4%	4,387
RICHMOND	266	280	-5.1%	(14)
SCITUATE	242	197	23.1%	46
SMITHFIELD	7,440	7,022	6.0%	418
SOUTH KINGSTOWN	11,154	11,886	-6.2%	(732)
TIVERTON	-	-	n/a	-
WARREN	-	-	n/a	-
WARWICK	53,961	53,849	0.2%	112
WESTERLY	52,281	58,038	-9.9%	(5,757)
WEST GREENWICH	6,118	5,761	6.2%	357
WEST WARWICK	6,341	5,733	10.6%	608
WOONSOCKET	2,603	3,232	-19.5%	(629)
TOTAL	\$ 499,314	\$ 472,482	5.7%	\$ 26,832