



LAS VEGAS
CONVENTION AND VISITORS AUTHORITY

DECEMBER 2014
ECONOMIC IMPACT SERIES BRIEF



CURRENT AND HISTORICAL
**ROOM TAX DISTRIBUTIONS
IN SOUTHERN NEVADA**

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Transient lodging tax (“room tax”) is one of several industry-specific taxes generated by the Nevada tourism sector. Room tax collections reached a record high in FY 2014.

CURRENT AND HISTORICAL
ROOM TAX DISTRIBUTIONS IN SOUTHERN NEVADA



\$565 Million

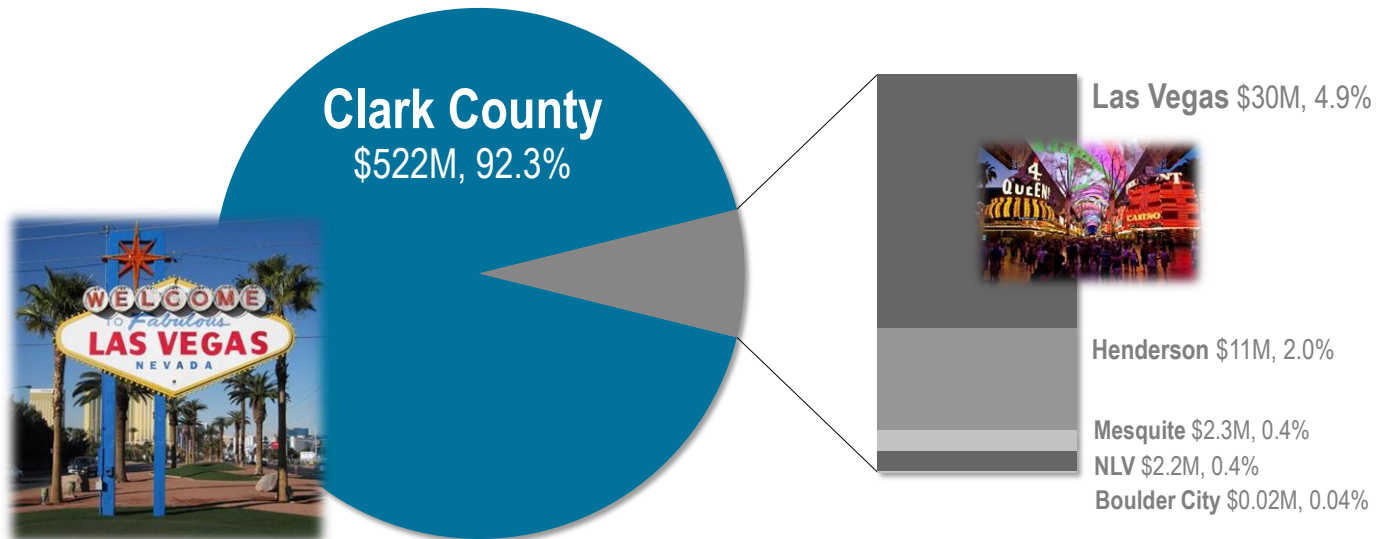


↑ 10% increase over FY 2013

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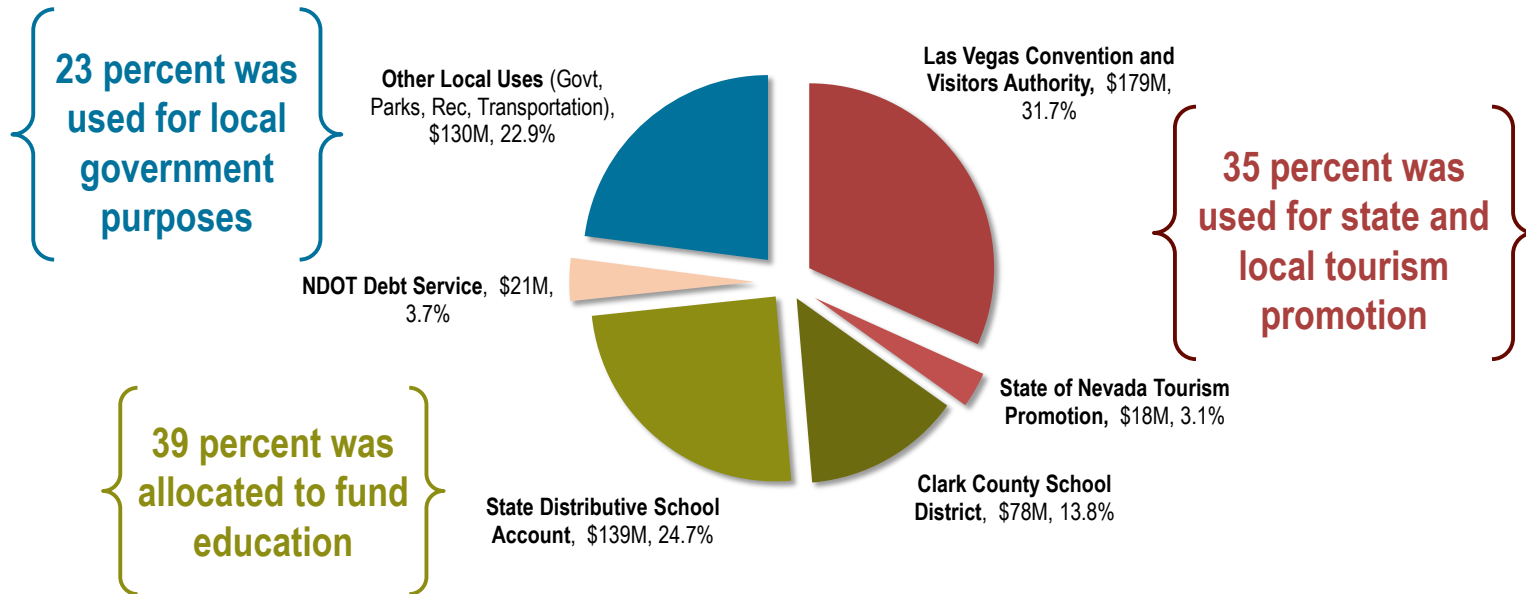
FY 2014 sources of room tax included...



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FY 2014 distributions of room tax included...



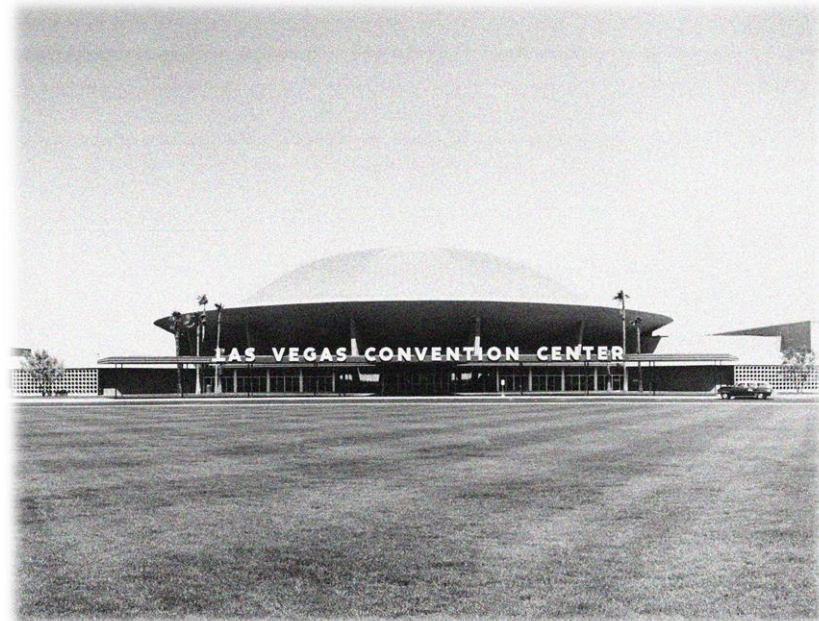


Material shifts in the share of room taxes allocated for various purposes have occurred since the tax was first established in 1957.



Origins of the Room Tax

- Encourage off-season and mid-week visitation with a convention center
- 100% of tax paid to Clark County Fair and Recreation Board (precursor to LVCVA)
- Collecting entity entitled to use up to 10 percent of the funds for administration of the tax (*however, in 1957, nearly 100% was used for tourism promotion*)
- 5% tax rate





**Room Tax
Distribution/
Actual Uses**

*First Year in Effect, 1957
Est. Yield, <\$5M*



Las Vegas
Convention
and Visitors
Authority,
100%

100 percent was
used for local
tourism promotion

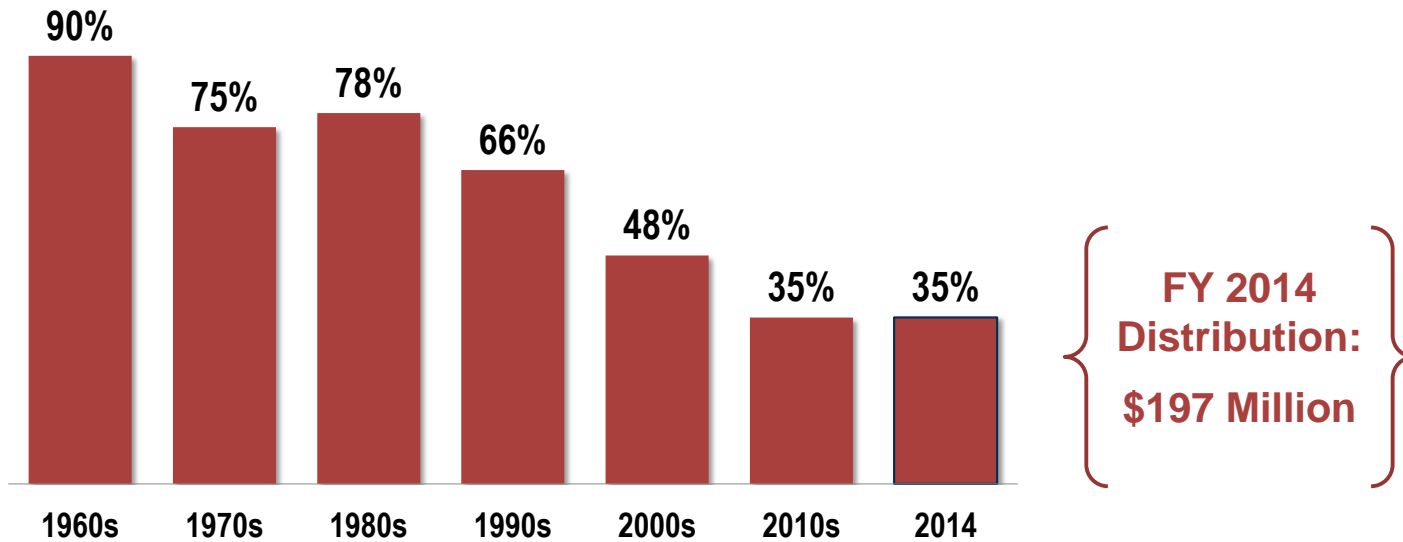


During the last decade, the share of room tax dedicated to tourism promotion has declined dramatically while the share allocated to fund education has grown to nearly 4 in every 10 dollars collected.



Tourism Promotion

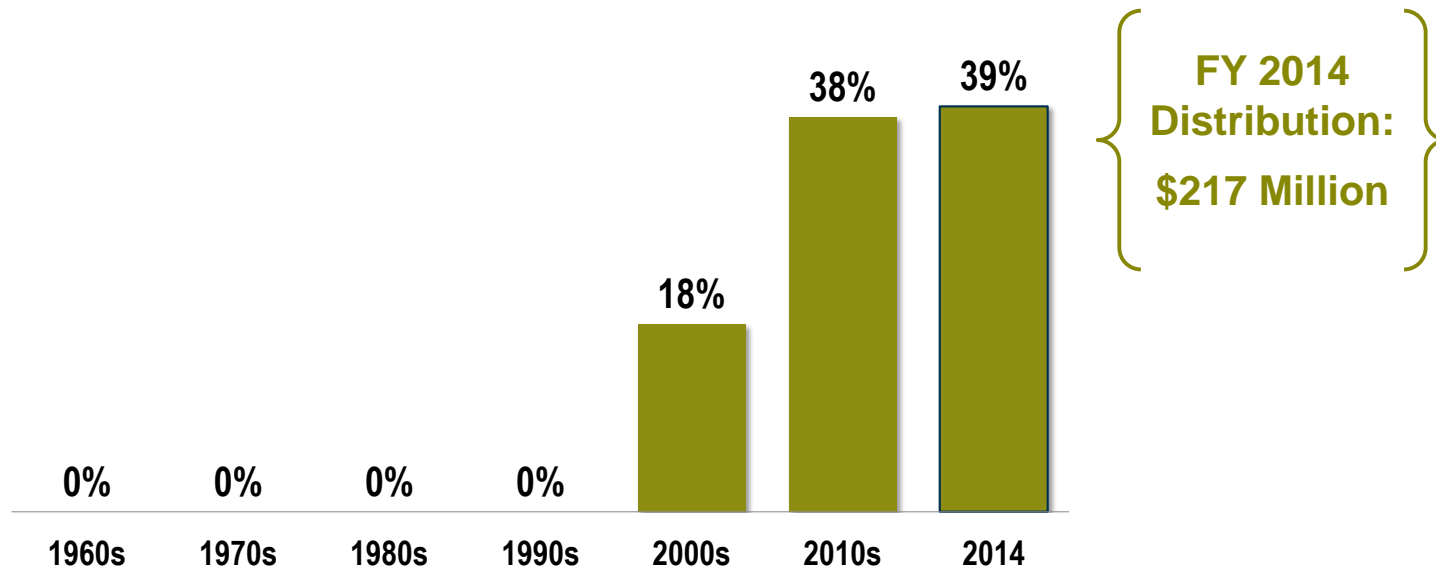
History of Share of Distributions





Education

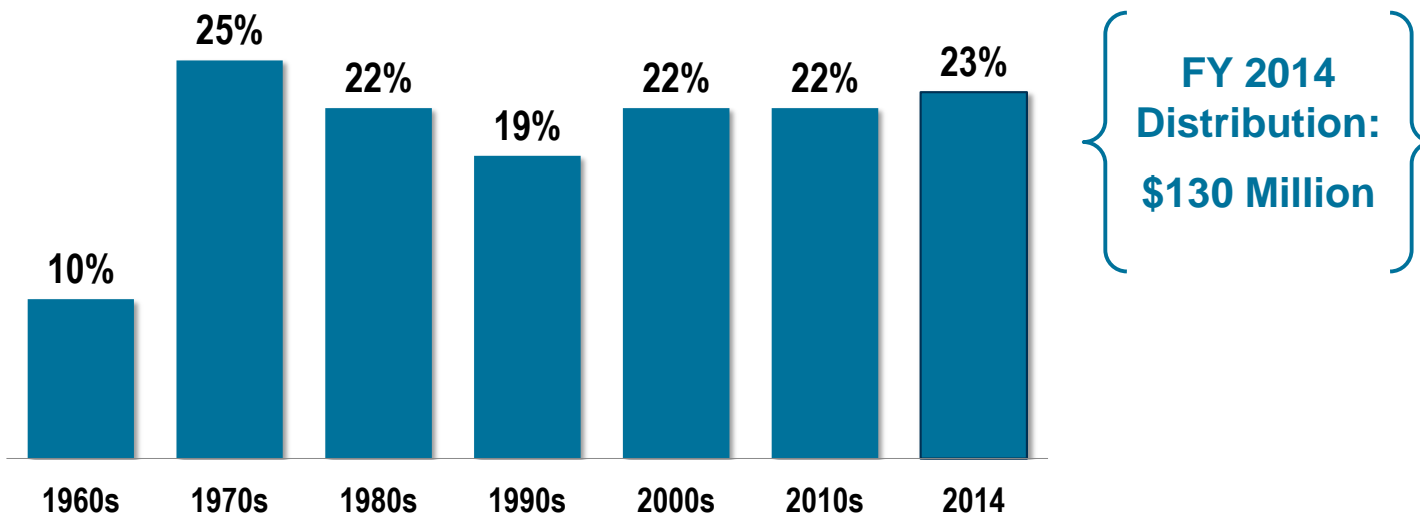
History of Share of Distributions Designated to be Allocated





Local Governments

History of Share of Distributions





Room taxes have raised nearly \$1 billion specifically for school construction since 1998 and \$0.7 billion for transportation improvements since 1992. Revenues are expected to continue to rise with higher room rates, occupancy rates and hotel room inventories in southern Nevada.



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