

**County Controller**

Tony E. Bassil

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Lamont G. McClure, Jr.

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Agreed-Upon Procedures  
Report

**HOTEL ROOM  
RENTAL TAX**

**NON-SITE VISITS**

For the period January 1, 2017  
to December 31, 2018

**Office of the Controller  
County of Northampton  
Pennsylvania**



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**CONTROLLER OF NORTHAMPTON COUNTY**

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Solicitor

**INDEPENDENT INTERNAL AUDITOR'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

Members of the Northampton County Council  
Lamont G. McClure, Jr., County Executive  
County of Northampton, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the County of Northampton's Administration solely to assist you with evaluating the Hotel Room Rental Tax Remittances for the following hotels which reported less than \$8,000 annually in hotel tax for the period January 1, 2017 to December 31, 2018.

Nazareth Motel #109	Bethlehem Inn #111
Classic Victorian #115	Barnhouse Village #116
Filbert Bed & Breakfast #126	Camp Charles Campground #137

County management is responsible for ensuring that Operators within Northampton County are collecting this tax from their guests and that Operators remit the tax they collect to the County. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**Procedures and Findings**

- 1. Procedure:** Determine if hotel tax revenue reported to the Controller's Office by the hotel operators is comparable to the tax remitted to the County:

**Findings:** We collected, summarized and calculated tax for all 24 months of remittances submitted for the 2017 and 2018 period. The summarized remittance information for each year was compared to the verification forms requested from the hotel operators and we found:

- The verification and exemption forms returned by the Nazareth Motel #109, the Barnhouse Village #116, the Classic Victorian #115 and the Filbert Bed and Breakfast #126, agreed to the remittance forms submitted to the County indicating that revenue and taxes appear to be reasonable stated.

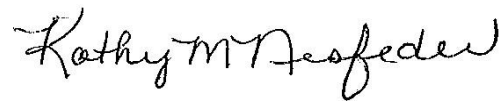
- The amounts on the verification forms returned by the Bethlehem Inn #111 varied from those noted on the remittance forms submitted to the County by an insignificant amount. Overall, the revenue and taxes appear to be reasonably stated, however, the Bethlehem Inn #111 did not submit exemption documentation.
- The amounts on the verification forms returned by Camp Charles Campground #137 were slightly higher than what was submitted to the County. The Campground's gross revenue was more than their taxable revenues but no exemptions were noted nor submitted to the County. This resulted in the Campground owing \$48.84 in unpaid hotel tax. We notified the Operator of the amount owed and they promptly submitted the unpaid taxes.

We conducted this agreed-upon procedures engagement in accordance with generally accepted government auditing standards. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Hotel Room Rental Tax Remittances from these hotels for the period January 1, 2017 to December 31, 2018. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of the County of Northampton, Pennsylvania and is not intended to be and should not be used by anyone other than these specified parties.



Tony E. Bassil  
County of Northampton Controller  
Easton, Pennsylvania



Kathy M. Nesfeder, CRMA, CFE  
Auditor II

February 5, 2020

cc: S. Barron, Director of Fiscal Affairs  
N. Poplawski, Revenue Manager  
T. Smith, Director of Department of Community and Economic Development  
K. Collis, Community and Economic Development Specialist  
Hotel Managers/Operators