

JUL 08 2024

The City of
SAN DIEGO
Office of the City Treasurer
Transient Occupancy Tax

July 2, 2024

[REDACTED]

Subject: Proposal to Resolve Outstanding TOT and TMD on Rate Parity Transactions through Expedia

Dear Operator:

The City of San Diego believes that you may be subject to Transient Occupancy Tax (TOT) and Tourism Marketing District (TMD) assessments¹ due to the City, based on rate parity² amounts for reservations booked through Expedia, Inc. and its affiliated websites at the property located at [REDACTED] for the period January 1, 2017 through December 31, 2023.

The City would like to offer a settlement amount to hotels that have not yet resolved this potential tax liability for outstanding TOT and TMD assessment amounts due to the City. To participate in this proposed settlement offer, the City requires your consent to obtain data directly from Expedia to determine actual underreported Rent and outstanding TOT and TMD amounts for the period January 1, 2017 through December 31, 2023. Once the data is provided to the City, our office will follow up with a proposed settlement amount.

If you agree to participate in this proposal, please review and sign the attached Records Consent Letter, scan, and attach to an email sent to SDRevenueAudit@sandiego.gov no later than July 31, 2024.

If you decide not to participate in this proposal, the City will determine actual outstanding TOT and TMD amounts through its routine audit process with no reduction beginning with the period January 1, 2017.

If you have any questions, please email our office at SDRevenueAudit@sandiego.gov.

¹ TMD is only applicable to lodging businesses with 70 or more units.

² Rate parity refers to the 'floor' or minimum room rate the third-party online travel company must charge Transients pursuant to the terms of the underlying contracts between the company and hotels.



Office of the City Treasurer
Transient Occupancy Tax

Subject: Consent to Release Data on Expedia Transactions

In connection with an examination of [REDACTED] the City of San Diego (City) is requesting records detailing all transactions through Expedia and its affiliated websites for the period of January 1, 2017 through December 31, 2023.

As Operator of [REDACTED] I grant consent to Expedia to provide to the City transaction data sufficient for the City to determine outstanding Transient Occupancy Tax and Tourism Marketing District (TMD) assessments on all rate parity transactions booked through Expedia for this review period. As provided in San Diego Municipal Code section 35.0114(h), payment data shall be treated as confidential.

Please e-mail this completed consent form directly to the City of San Diego via email at SDRevenueAudit@sandiego.gov.

Dated: _____

By: _____
Signature

Print Name