



THE CITY OF SAN DIEGO

HOTEL PACKAGES AND COMPLIMENTARY SERVICES

Office of the City Treasurer - Administrative Guidelines

This regulation is written to furnish guidance on the accountability of packages offered to guests. A package is defined as “optional¹ goods and/or services offered in combination with room Rent² over and above the basic room offered at a hotel.” The following method of accounting is acceptable:

The amount of the package shown on the guest folio or receipt may either be itemized, or reported in a lump sum which may or may not include the applicable taxes.

If shown on the guest folio as a lump sum, the amounts allocated to room rent, each optional good and/or service, and taxes must be readily identifiable in the accounting records of the hotel. The hotel may allocate reasonable value to all components of the package, but in no case shall the allocation to the optional items (such as meals, golf or event tickets) exceed the prices normally charged for these items. Goods and services held out to the public as complimentary, such as free coffee or newspapers, shall not be allocated any dollar value.

If taxes are shown separately from the package cost in the guest folio, all applicable taxes may either be 1) itemized or 2) reported as a single blended rate combining the TOT and sales taxes. If reported as a blended rate, the amounts allocated for each tax must be readily identifiable in the accounting records of the hotel. In any case, the entire amount of any TOT or “room tax” itemized separately on the guest receipt must be remitted to the City of San Diego.

¹ Optional goods or services are defined as one which is offered in conjunction with a room, but which the guest may elect not to use or pay for.

² Rent is defined in San Diego Municipal Code §35.0102.

