



**OFFICE OF THE CITY AUDITOR**  
Long Beach, California

**LAURA L. DOUD, CPA**  
City Auditor

September 2, 2010

Dear Hotel Operator:

The purpose of this letter is to provide clarification regarding Transient Occupancy Tax (TOT) exemptions for federal or state of California officers or employees on official government business and acceptable proof of exemption.

The City of Long Beach Municipal Code section 3.64.040 provides that no tax shall be imposed upon "Any federal or state of California officer or employee when on official government business, including employees of federal credit unions, and who provide proof that he or she is on official federal, state or federal credit union business." In addition to exemptions provided under the City's Municipal Code, certain government organizations and other entities have been granted special exemptions by the U.S. Congress under Public Law. Exemptions may be provided to employees of the American Red Cross, the U.S. Postal Service, and insurance companies who provide proof of official business.

To receive this exemption, a claim must be made at the time the payment is collected on a Transient Occupancy Tax Exemption Certificate (Attachment I), and acceptable proof of official government business must be provided. The hotel or motel operator shall retain the original exemption certificate and acceptable proof of exemption for a period of five years.

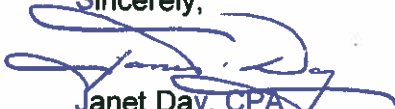
Operators shall not accept exemption claims unless the guest provides at least one of following acceptable forms of proof of exemption:

1. A copy of the warrant or check drawn on the treasury of the United States or the State of California made payable to the hotel for hotel occupancy;
2. A copy of the official travel orders indicating the issuing Federal or State of California governmental agency and the person's full name; or
3. A copy of a letter on the official letterhead of an exempt governmental or other agency requesting exemption, listing the employee's name, and stating that the stay is for official government or agency business. The dates of the occupancy must also be included.

Payment for hotel stays using government issued credit cards is not considered an acceptable proof of exemption. Hotel and motel operators must comply with the acceptable proof of exemption documentation requirements noted in this letter by October 1, 2010.

Should you have any questions regarding this notice, please feel free to contact me at (562) 570-5895.

Sincerely,

  
Janet Day, CPA  
Deputy City Auditor