

City of Santa Fe Lodger's Tax

Independent Accountants' Report
on Applying Agreed-Upon Procedures

December 31, 2024

Report of Independent Accountants

To Management of the City of Santa Fe
New Mexico Department of Finance and Administration
New Mexico Office of the State Auditor

We have performed the procedures enumerated below, on City of Santa Fe, New Mexico Lodgers' Occupancy Tax Reports filed with the City of Santa Fe of the lodging facilities for the year ended December 31, 2024. The Lodger's management is responsible for its compliance with those requirements.

The City of Santa Fe has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the City of Santa Fe in evaluating compliance with the New Mexico Lodgers' Tax Act and the City of Santa Fe Lodgers' Tax Ordinance (Code of Ordinances 18-11) regarding the tax collection and remittance. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

We obtained from the City of Santa Fe a schedule of lodging tax collected and remitted by lodging facility and applied the following agreed-upon procedures for lodging tax collected and remitted to the ten short-term rentals, hotels, or motels (facility) selected by City of Santa Fe, New Mexico, for the year ended December 31, 2024.

1. Compare the facility's bank statement deposits, general ledger, or guest registry tracking system to revenue amounts reported on the City of Santa Fe, New Mexico Lodger's Occupancy Tax Report for four haphazardly selected months.

Results: We compared the bank statement deposits, general ledger, or guest registry tracking system for the selected lodgers to revenue amounts reported on the City of Santa Fe, New Mexico Lodger's Occupancy Tax report for the months of February, April, May and December 2024, noting no exceptions for Lodgers 1-5 and 8. Lodgers 6 and 7 did not provide a copy of the Lodger's Tax Occupancy Tax Report; therefore, we were unable to perform the procedure listed. No response was received from lodger 9 and 10 as of the date of the report; therefore, we were unable to perform the procedure listed.

2. Agree the receipt amounts noted in step 1 to tax amounts reported on the City of Santa Fe, New Mexico Lodger's Occupancy Tax Report for the four selected months.

Results: We agreed the receipt amounts noted in step 1 to the tax amounts reported from the Lodger's to the City for the months of February, April, May and December 2024 for Lodgers 1-5 and 8 noting no exceptions. Lodgers 6 and 7 did not provide a copy of the Lodger's Tax Occupancy Tax Report; therefore, we were unable to perform the procedure listed. No response was received from lodger 9 and 10 as of the date of the report; therefore, we were unable to perform the procedure listed.

3. Recalculate the required occupancy tax payments made to City of Santa Fe and compare the calculated amounts to the cash receipt listing for the four selected months in step 1, noting any discrepancies in the report of the agreed-upon procedures.

Results: We recalculated the amount of tax that should have been remitted to the amount that was remitted in the table below. We noted a difference of \$21 for Lodger 1 on the May 2024 remittance that the lodger did not remit. We noted no exceptions for Lodgers 2-5, 7 and 8. For Lodger 6, we were unable to test if the full amount was remitted to the City. No response was received from Lodgers 9 and 10; therefore, we were unable to perform the procedure listed.

4. Confirm the facility submitted the reports and payment by the due dates required in the City of Santa Fe Lodger's Tax Ordinance for the four selected months in step 1 by reviewing the cash receipt date to the date due required by the Lodgers' Tax Ordinance, noting any discrepancies in the report of the agreed-upon procedures.

Results: We confirmed the facility submitted the reports and payment by the due dates required by the City for Lodgers 1-5 and 7, noting no exceptions. Lodger 6 we were unable to determine the date the payment was made and no response was received from Lodgers 9 and 10; therefore, we were unable to perform the procedure listed.

Lodger # 1	Month	Total Rental Revenue	Exempt Lodger's Tax	Total Rent Subject to Lodger's Tax	7%	Lodger's Tax Remitted	Payment Date	Variance
	February 2024	\$ 64,807	\$ -	\$ 64,807	\$ 4,536	\$ 4,536	03/25/24	\$ -
	April 2024	105,475	-	105,475	7,383	7,383	05/24/24	-
	May 2024	120,613	-	120,613	8,443	8,422	06/24/24	21
	December 2024	55,948	-	55,948	3,916	3,916	01/24/25	-

Lodger #2	Month	Total Rental Revenue	Exempt Lodger's Tax	Total Rent Subject to Lodger's Tax	7%	Lodger's Tax Remitted	Payment Date	Variance
	February 2024	\$ -	\$ -	\$ -	\$ -	\$ -	NA	\$ -
	April 2024	-	-	-	-	-	NA	-
	May 2024	-	-	-	-	-	NA	-
	December 2024	82,357	22,123	60,235	4,216	4,216	01/23/25	-

Lodger #3	Month	Total Rental Revenue	Exempt Lodger's Tax	Total Rent Subject to Lodger's Tax	7%	Lodger's Tax Remitted	Payment Date	Variance
	February 2024	\$ 866,370	\$ -	\$ 866,370	\$ 60,646	\$ 60,646	03/21/24	\$ -
	April 2024	1,287,771	-	1,287,771	90,144	90,144	05/21/24	-
	May 2024	1,638,822	-	1,638,822	114,718	114,718	06/18/24	-
	December 2024	1,295,583	-	1,295,583	90,691	90,691	01/24/25	-

Lodger #4	Month	Total Rental Revenue	Exempt Lodger's Tax	Total Rent Subject to Lodger's Tax	7%	Lodger's Tax Remitted	Payment Date	Variance
	February 2024	\$ 3,800	\$ -	\$ 3,800	\$ 266	\$ 266	02/22/24	\$ -
	April 2024	5,642	-	5,642	395	395	04/22/24	-
	May 2024	13,999	-	13,999	980	980	06/15/24	-
	December 2024	8,011	-	8,011	561	561	01/23/25	-

Lodger #5	Month	Total Rental Revenue	Exempt Lodger's Tax	Total Rent Subject to Lodger's Tax	7%	Lodger's Tax Remitted	Payment Date	Variance
	February 2024	\$ 394,986	\$ 189,899	\$ 205,086	\$ 14,356	\$ 14,356	03/17/24	\$ -
	April 2024	568,906	295,143	273,763	19,163	19,164	05/17/24	-
	May 2024	710,168	310,007	400,161	28,011	28,011	06/20/24	-
	December 2024	768,820	373,916	394,905	27,643	27,643	01/20/25	-

Lodger #6	Month	Total Rental Revenue	Exempt Lodger's Tax	Total Rent Subject to Lodger's Tax	7%	Tax Remitted	Payment Date	Variance
	February 2024	\$ 1,420	\$ -	\$ 1,420	\$ 99	\$ 232	Could not be determined	
	April 2024	5,110	-	5,110	358	835	Could not be determined	
	May 2024	5,730	-	5,730	401	934	Could not be determined	
	December 2024	3,720	-	3,720	260	608	Could not be determined	

Lodger #7	Month	Total Rental Revenue	Exempt Lodger's Tax	Total Rent Subject to Lodger's Tax	7%	Lodger's Tax Remitted	Payment Date	Variance
	February 2024	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	\$ -
	April 2024	-	-	-	-	-	N/A	-
	May 2024	5,200	-	5,200	364	364	05/31/24	-
	December 2024	1,270	-	1,270	89	89	12/26/24	-

Lodger #8	Month	Total Rental Revenue	Exempt Lodger's Tax	Total Rent Subject to Lodger's Tax	7%	Lodger's Tax Remitted	Payment Date	Variance
	February 2024	\$ 31,954	\$ -	\$ 31,954	\$ 2,237	\$ 2,237	03/25/24	\$ -
	April 2024	43,496	-	43,496	3,045	3,045	05/24/24	-
	May 2024	57,320	-	57,320	4,012	4,012	06/18/24	-
	December 2024	122,588	-	122,588	8,581	8,581	01/22/25	-

Lodger #9	Month	Total Rental Revenue	Exempt Lodger's Tax	Total Rent Subject to Lodger's Tax	7%	Lodger's Tax Remitted	Payment Date	Variance
	February 2024			\$ -	\$ -			\$ -
	April 2024			-	-			-
	May 2024			-	-			-
	December 2024			-	-			-

Note 1: No response was received from Lodger #9

Lodger #10	Month	Total Rental Revenue	Exempt Lodger's Tax	Total Rent Subject to Lodger's Tax	7%	Lodger's Tax Remitted	Payment Date	Variance
	February 2024			\$ -	\$ -			\$ -
	April 2024			-	-			-
	May 2024			-	-			-
	December 2024			-	-			-

Note 2: No response was received from Lodger #10

We were engaged by the City of Santa Fe to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. An agreed-upon procedures engagement involves performing specific procedures that the engaging party has agreed to and acknowledged to be appropriate for the intended purpose of the engagement and reporting on findings based on the procedures performed. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the City of Santa Fe, New Mexico Lodgers' Occupancy Tax Reports filed with the City of Santa Fe of the lodging facilities. 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.

We are required to be independent of the City of Santa Fe lodgers and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City of Santa Fe, the New Mexico Department of Finance and Administration and the New Mexico Office of the State Auditor, and is not intended to be, and should not be, used by anyone other than these specified parties.

Baker Tilly US, LLP

Albuquerque, New Mexico
November 12, 2025