Reno hotel tax collections increase despite lower room rates

By Bill O'Driscoll, Reno Gazette-Journal

The average charge for a night's lodging in the Reno-Tahoe region over the first nine months of this year rose 1.4 percent from 2009, according to the region's tourism agency.

But as temperatures fall with the advent of another winter of recession, downward pressure on room rates is coming to bear. And area properties are facing the challenge of filling rooms — but at what cost?

Discounts of up to 60 percent were posted recently on Expedia.com for one area property, Grand Sierra Resort, which for a time in November also was offering two nights free without an additional booking. GSR officials declined to comment.

The head of the Reno-Sparks Convention and Visitors Authority downplayed her concern even though two-thirds of the agency's budget is financed through taxes of up to 13.5 percent, depending on locale, on room receipts.

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