

HOUSE No. 3525

The Commonwealth of Massachusetts

PRESENTED BY:

Brian Murray

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act extending the sales tax to vacation home rentals.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Brian Murray</i>	<i>10th Worcester</i>
<i>Chris Walsh</i>	<i>6th Middlesex</i>
<i>Denise Provost</i>	<i>27th Middlesex</i>

HOUSE No. 3525

By Mr. Murray of Milford, a petition (accompanied by bill, House, No. 3525) of Brian Murray, Chris Walsh and Denise Provost for legislation to establish a sales tax for vacation home rentals. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act extending the sales tax to vacation home rentals.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Subsection (g) of section 16 of chapter 62C of the General Laws, as
2 appearing in the 2014 Official Edition, is hereby amended by inserting after the word “month”,
3 in line 70, the following words:- ;provided, however, that if an operator of a temporary rental
4 accommodation indicates on their application for certificate of registration required pursuant to
5 section 6 of chapter 64G that the temporary rental accommodation is only rented on a seasonal
6 basis, said operator shall only file a return with the commissioner for each calendar month of the
7 rental season as indicated on said certificate of registration, so long as no taxes are owed for any
8 other month pursuant to said chapter 64G.

9 SECTION 2. Section 67 of said chapter 62C, as so appearing, is hereby amended by
10 inserting after the word “operator”, in line 2, the following words:- ,rental agent or online rental
11 agency.

12 SECTION 3. Section 1 of chapter 64G of the General Laws, as so appearing, is hereby
13 amended by striking out, in lines 22 and 26, the words “or motel” and inserting in place thereof,
14 in each instance, the following words;- ,motel or temporary rental accommodation.

15 SECTION 4. Said section 1 of said chapter 64G, as so appearing, is hereby further
16 amended by inserting after the word “motel”, in line 29, the following words:- or of any
17 temporary rental accommodation,.

18 SECTION 5. Said section 1 of said chapter 64G, as so appearing, is hereby further
19 amended by inserting after the word “rooms,” in line 33, the following words:- or such
20 temporary rental accommodation.

21 SECTION 6. Said section 1 of said chapter 64G, as so appearing, is hereby further
22 amended by inserting after the word “motel”, in line 38, the following words:- ,or any temporary
23 rental accommodation,.

24 SECTION 7. Said section 1 of said chapter 64G, as so appearing, is hereby further
25 amended by adding the following 2 definitions:

26 (k) “Rental agent”, a licensed real estate broker, salesman or agent who lists temporary
27 rental accommodations for rent for a price to be paid, through whom a renter can complete the
28 rental transaction, including the reservation of said rental and the payment for said rental.

29 (l) “Temporary rental accommodation” any dwelling unit, including but not limited to an
30 apartment, single or multiple family housing, cottage, condominium and time-share unit, which
31 is rented in its entirety to an occupant or occupants for a price to be paid, regardless of whether
32 such use and possession is as a lessee, tenant, guest or licensee; provided, however, that this shall

33 not include any rental period for 30 days or more for which there is a written and executed lease
34 agreement, or any month-to-month tenancy at will where there is an oral agreement for such
35 tenancy, whether or not there is a written agreement for such tenancy.

36 (m) “Online rental agency”, any website or mobile application that lists temporary rental
37 accommodations for rent for a price to be paid, through which the renter can complete the
38 transaction, including the reservation of said rental and the payment for said rental.

39 SECTION 8. Section 2 of said chapter 64G, as so appearing, is hereby amended by
40 striking out, in lines 14 and 15, the words “and (f) a bed and breakfast home” and inserting in
41 place thereof the following words:- (f) a bed and breakfast home; and (g) a temporary rental
42 accommodation rented for a period of more than 30 days for which there is a written and
43 executed lease agreement, or any month to month tenancy at will where there is an oral
44 agreement for such tenancy, whether or not there is a written agreement for such tenancy.

45 SECTION 9. Section 3 of said chapter 64G is hereby amended by inserting after the word
46 “motel”, in line 3, the following words:- , or of any temporary rental accommodation,.

47 SECTION 10. Said section 3 of said chapter 64G is hereby further amended by adding
48 the following sentence:- For an excise collected for the occupancy of a temporary rental
49 accommodation, the operator of such accommodation shall be responsible for paying the excise
50 to the commissioner, even if a rental agent or online rental agency collects the excise from the
51 occupant, so long as said agent or agency immediately remits the excise to the operator.

52 SECTION 11. Section 3A of said chapter 64G, as so appearing, is hereby amended by
53 inserting after the word “motel”, in lines 4 and 9, the following words, in each instance:- ,or of
54 any temporary rental accommodation,.

55 SECTION 12. Section 4 of said chapter 64G is hereby amended by inserting after the
56 word “rooms”, in line 2, the following words:- ,or such temporary rental accommodation,.

57 SECTION 13. Section 5 of said chapter 64G, as so appearing, is hereby amended by
58 inserting after the word “made”, in line 4, the following words:- , including any record of a rental
59 transaction completed through a rental agent or online rental agency.

60 SECTION 14. Section 6 of said chapter 64G, as so appearing, is hereby amended by
61 striking out, in line 2, the words “or motel”, and inserting in place thereof the following words:- ,
62 motel or temporary rental accommodation.

63 SECTION 15. Said section 6 of said chapter 64G, as so appearing, is hereby further
64 amended by adding the following paragraph:- Any person operating a temporary rental
65 accommodation that is only rented to occupants on a seasonal basis shall note such seasonal
66 rental restriction on their application for such certificate of registration, for purposes of
67 determining the time required for filing the return pursuant to section 16 of chapter 62C. A rental
68 agent or online rental agency facilitating rental transactions in the commonwealth for temporary
69 rental accommodations subject to this excise, that collect such excise on behalf of the operator at
70 the time of payment, shall also obtain a certificate of registration in accordance with said section
71 67 of said chapter 62C prior to the collection of the excise.

72 SECTION 16. Section 12 of said chapter 64G is hereby amended by inserting after the
73 word “motel”, in line 3, the following words:- or of any temporary rental accommodation,.

74 SECTION 17. Said chapter 64G is hereby amended by adding the following section:-

75 Section 13. A rental agent or online rental agency may enter into a contractual agreement
76 with the commonwealth or any subdivision thereof to assume responsibility for the collection
77 and payment to the commissioner of any excise due pursuant to this chapter for all temporary
78 rental accommodations rented to an occupant through the agent or agency.