

House Bill 2067

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Revenue)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Clarifies that person facilitating renting out by individuals of personal residential space for occupancy as transient lodging is transient lodging tax collector with respect to such transactions.
Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to transient lodging taxes; creating new provisions; amending ORS 320.305 and 320.350; and
3 prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 320.305 is amended to read:

6 320.305. (1)(a) A tax of one percent is imposed on any consideration rendered for the sale, ser-
7 vice or furnishing of transient lodging.

8 (b)(A) The tax must be computed on the total retail price, including all charges other than taxes,
9 paid by a person for occupancy of the transient lodging.

10 (B) The total retail price paid by a person for occupancy of transient lodging that is part of a
11 travel package may be determined by reasonable and verifiable standards from books and records
12 kept in the ordinary course of the transient lodging tax collector's business.

13 (c)(A) The tax shall be collected by the transient lodging tax collector that receives the con-
14 sideration rendered for occupancy of the transient lodging.

15 **(B) The transient lodging intermediary that facilitates the renting out by individuals of**
16 **personal residential space for occupancy as transient lodging is the transient lodging tax**
17 **collector with respect to such transactions for purposes of ORS 320.305 to 320.340.**

18 (d) The tax imposed by this subsection is in addition to and not in lieu of any local transient
19 lodging tax.

20 (2) The transient lodging tax collector may withhold a collection reimbursement charge of five
21 percent of the amount collected under subsection (1) of this section.

22 **SECTION 2.** ORS 320.350 is amended to read:

23 320.350. (1) A unit of local government that did not impose a local transient lodging tax on July
24 1, 2003, may not impose a local transient lodging tax on or after July 2, 2003, unless the imposition
25 of the local transient lodging tax was approved on or before July 1, 2003.

26 (2) A unit of local government that imposed a local transient lodging tax on July 1, 2003, may
27 not increase the rate of the local transient lodging tax on or after July 2, 2003, to a rate that is
28 greater than the rate in effect on July 1, 2003, unless the increase was approved on or before July
29 1, 2003.

30 (3) A unit of local government that imposed a local transient lodging tax on July 1, 2003, may

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 not decrease the percentage of total local transient lodging tax revenues that are actually expended
 2 to fund tourism promotion or tourism-related facilities on or after July 2, 2003. A unit of local gov-
 3 ernment that agreed, on or before July 1, 2003, to increase the percentage of total local transient
 4 lodging tax revenues that are to be expended to fund tourism promotion or tourism-related facilities,
 5 must increase the percentage as agreed.

6 (4) Notwithstanding subsections (1) and (2) of this section, a unit of local government that is fi-
 7 nancing debt with local transient lodging tax revenues on November 26, 2003, must continue to fi-
 8 nance the debt until the retirement of the debt, including any refinancing of that debt. If the tax is
 9 not otherwise permitted under subsection (1) or (2) of this section, at the time of the debt retirement:

10 (a) The local transient lodging tax revenue that financed the debt shall be used as provided in
 11 subsection (5) of this section; or

12 (b) The unit of local government shall thereafter eliminate the new tax or increase in tax oth-
 13 erwise described in subsection (1) or (2) of this section.

14 (5) Subsections (1) and (2) of this section do not apply to a new or increased local transient
 15 lodging tax if all of the net revenue from the new or increased tax, following reductions attributed
 16 to collection reimbursement charges, is used consistently with subsection (6) of this section to:

17 (a) Fund tourism promotion or tourism-related facilities;

18 (b) Fund city or county services; or

19 (c) Finance or refinance the debt of tourism-related facilities and pay reasonable administrative
 20 costs incurred in financing or refinancing that debt, provided that:

21 (A) The net revenue may be used for administrative costs only if the unit of local government
 22 provides a collection reimbursement charge; and

23 (B) Upon retirement of the debt, the unit of local government reduces the tax by the amount
 24 by which the tax was increased to finance or refinance the debt.

25 (6) At least 70 percent of net revenue from a new or increased local transient lodging tax shall
 26 be used for the purposes described in subsection (5)(a) or (c) of this section. No more than 30 percent
 27 of net revenue from a new or increased local transient lodging tax may be used for the purpose
 28 described in subsection (5)(b) of this section.

29 (7)(a)(A) A local transient lodging tax must be computed on the total retail price, including all
 30 charges other than taxes, paid by a person for occupancy of the transient lodging.

31 (B) The total retail price paid by a person for occupancy of transient lodging that is part of a
 32 travel package may be determined by reasonable and verifiable standards from books and records
 33 kept in the ordinary course of the transient lodging tax collector's business.

34 (b)(A) The tax shall be collected by the transient lodging tax collector that receives the con-
 35 sideration rendered for occupancy of the transient lodging.

36 **(B) The transient lodging intermediary that facilitates the renting out by individuals of**
 37 **personal residential space for occupancy as transient lodging is the transient lodging tax**
 38 **collector with respect to such transactions for purposes of this section.**

39 **SECTION 3. The amendments to ORS 320.305 and 320.350 by sections 1 and 2 of this 2015**
 40 **Act apply to transient lodging occupied on or after the effective date of this 2015 Act.**

41 **SECTION 4. This 2015 Act takes effect on the 91st day after the date on which the 2015**
 42 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**