

COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND

2024 Legislative Session

Bill 2024-11

REVISIONS TO HOTEL RENTAL TAX

Introduced by Charles County Commissioners

FOR the purpose of amending the existing hotel rental tax to clarify, for the avoidance of doubt, that renting an entire dwelling unit or any part thereof for the purpose of sleeping accommodations to a Transient, is subject to a hotel rental tax; requiring that a Broker comply with certain collection and remittance requirements of applicable hotel rental tax to the County. BY Amending: Chapter 281- Taxation Article VI, Hotel Rental Tax § 281-10 through §281-16 *Code of Charles County, Maryland*.

Date introduced: 04/ 23/ 2024

Public Hearing: 06 /11 / 2024 Virtual and In-Person @ 6:00 p.m.

Commissioners Action: 06/ 11 /2024

Commissioner Votes: RBC: Y, GB: Y, TC: Y, AS: Y, RP: Y

Pass/Fail: Pass

Effective Date: 07/26/2024

Remarks: _____

NOTE: CAPITALS indicate matter added to existing text.
[Brackets] indicate matter deleted from existing law.

1 **COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND**

2
3 **2024 Legislative Session**

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5 Bill No. 2024-11

6 Chapter 281

7 Introduced by Charles County Board of County Commissioners

8 Date of Introduction April 23, 2024

9
10 **BILL**

11
12 AN ACT concerning:

13
14 **REVISIONS TO HOTEL RENTAL TAX**

15
16 FOR the purpose of:

17 Amending the existing hotel rental tax to clarify, for the avoidance of doubt, that renting an
18 entire dwelling unit or any part thereof for the purpose of sleeping accommodations to a
19 Transient, is subject to a hotel rental tax; requiring that a Broker comply with certain
20 collection and remittance requirements of applicable hotel rental tax to the County.

21 BY Amending:

22 Chapter 281- Taxation

23 Article VI, Hotel Rental Tax

24 § 281-10 through §281-16

25 *Code of Charles County, Maryland*

26
27 **SECTION 1. BE IT ENACTED BY THE COUNTY COMMISSIONERS OF**
28 **CHARLES COUNTY, MARYLAND, that the Laws of Charles County, Maryland read**
29 **as follows:**

30 **Article VI**
31 **Hotel Rental Tax**
32

[Adopted 8-17-1988 by Res. No. 88-48]

§ 281-10 Definitions.

In this article, the following words have the meanings indicated:

BROKER

A PERSON, OTHER THAN THE OWNER OR OPERATOR OF A HOTEL, THAT RECEIVES, FACILITATES OR ARRANGES PAYMENT OF A TRANSIENT CHARGE, DIRECTLY, INDIRECTLY, OR THROUGH AN ONLINE PLATFORM, FOR HOTEL ACCOMMODATIONS FROM A TRANSIENT.

DIRECTOR

The Director of **FISCAL AND ADMINISTRATIVE SERVICES** ~~Finance~~ for Charles County.

HOTEL

Any individual, corporation, company, association, firm, partnership or similar entity which operates an establishment that offers sleeping accommodations for compensation. Hotel includes an apartment; a cottage; a hostelry; an inn; a motel; a rooming house; ~~or~~ a tourist home; **OR DWELLING UNIT**

HOTEL RENTAL TAX

The tax authorized under this article.

TRANSIENT

AN INDIVIDUAL WHO, FOR A PERIOD NOT EXCEEDING ONE HUNDRED AND TWENTY (120) DAYS, OCCUPIES A HOTEL.

TRANSIENT CHARGE

A hotel charge for sleeping accommodations for a period not exceeding **ONE HUNDRED AND TWENTY (120)** ~~four consecutive~~ **DAYS** ~~months~~. Transient charge does not include any hotel charge for services or for accommodations other than sleeping accommodations.

§ 281-11 Tax levied.

A tax of 5% is hereby imposed on each transient charge paid to a hotel **OR BROKER OF A HOTEL** located in Charles County.

§ 281-12 Identification and collection; tax held in trust.

A. A hotel **OR BROKER** shall:

(1) Give the person who is required to pay a transient charge a bill that identifies the transient charge as a separate item from any other charge.

(2) Collect the hotel rental tax from the person who pays the transient charge.

B. A hotel **OR BROKER** holds hotel rental tax collected in trust for Charles County until the hotel **OR BROKER** pays the tax to **THE** ~~that~~ County as required under this article.

Asterisks *** mean intervening code language remaining unchanged

CAPITALS mean language added to the law

[Brackets] mean language deleted from the law

1 **§ 281-13 Filing of returns.**

- 2 A. A hotel **OR BROKER** shall complete, sign and file a hotel rental tax return with the
3 Director on or before the 21st day of each month **TO REPORT ANY AND ALL**
4 **TRANSIENT CHARGES COLLECTED BY THE HOTEL OR BROKER NOT**
5 **EXEMPTED UNDER § 281-16 OF THIS ARTICLE.**
- 6 B. A hotel rental tax **RETURN** shall be filed on the form prescribed by the Director which
7 shall contain all information required, including the **ADDRESS OF THE HOTEL, THE**
8 amount of transient charges paid to the hotel **OR BROKER** during the **PRIOR** calendar
9 month, and the hotel rental tax required to be collected during the ~~period~~ calendar month.
- 10 C. A hotel **OR BROKER** shall pay to the Director the tax collected for a calendar month with
11 the **HOTEL RENTAL TAX** return that covers that month.

12 **§ 281-14 Adoption of regulations.**

13 To provide for orderly, systematic and thorough administration of the hotel rental tax, the
14 Director may adopt regulations not inconsistent with this article.

15 **§ 281-15 Failure to pay tax; lien.**

- 16 A. If a hotel **OR BROKER** fails to pay the hotel rental tax as required by this article, the hotel
17 **OR BROKER** shall pay interest on the unpaid tax from the date on which the hotel is
18 required to pay the tax to the date that the tax is paid. The interest rate for each month or
19 fraction of a month is 0.5%.
- 20 B. If a hotel **OR BROKER** fails to pay the hotel rental tax within one month after the payment
21 is due under this article, the hotel **OR BROKER** shall pay a tax penalty of 10% of the
22 unpaid tax.
- 23 C. Unpaid hotel rental tax is a lien against all real and personal property of the hotel owing the
24 tax and is collectible in the same manner as the property tax may be collected under the Tax
25 - Property Article.

26 **§ 281-16 Exemptions.**


27 The following are exempt from the **HOTEL RENTAL** tax imposed hereby:

- 28 A. Room rental paid by a transient who is a foreign government officer or employee exempted
29 from taxation by reason of an international treaty or any Act of Congress and certifies so.
- 30 B. Room rental paid to any hospital, medical clinic, convalescent home or home for aged
31 people.
- 32 C. Room rental paid to any ~~metel~~/hotel by the use of an authorized voucher system under the
33 control and administration of the Charles County Government or any of its agencies.

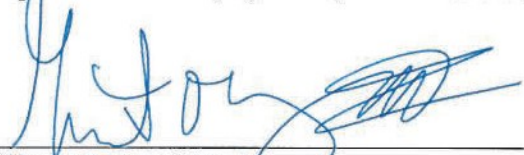
1 **SECTION 2.** AND BE IT FURTHER ENACTED, THAT THIS ACT SHALL TAKE
2 EFFECT FORTY-FIVE (45) DAYS FROM THE DATE IT IS ADOPTED.


3
4 ADOPTED this 11th day of June 2024.
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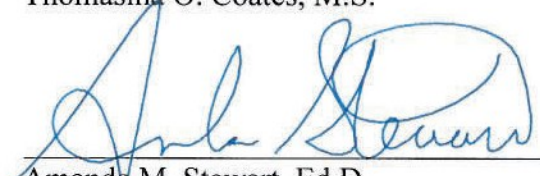
6 **COUNTY COMMISSIONERS**
7 **CHARLES COUNTY, MARYLAND**

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12 Reuben B. Collins, II, Esq. President
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17 Ralph E. Patterson, II, M.A., Vice President
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22 Gilbert O. Bowling, III
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27 Thomasina O. Coates, M.S.
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32 Amanda M. Stewart, Ed.D.
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34 ATTEST:

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38 Carol DeSoto, CAP, OM, Clerk