A BILL
ENTITLED

AN ACT concerning
Taxation - Transient Occupancy Tax

FOR the purpose of clarifying the types of rented sleeping accommodations that are subject to
the County’s transient occupancy tax; clarifying the imposition of the tax on certain
transactions facilitated by accommodations intermediaries; decreasing the number of
transients present for requiring payment of the tax; increasing the numbers of days of
rental to be considered a transient; requiring licensing of sleeping accommodations;
increasing the rate of the tax; defining certain terms; and generally relating to the
transient occupancy tax.

WHEREAS, Baltimore County is authorized by law to impose and levy new taxes and to
raise the rates of current taxes; and

WHEREAS, the tax changes proposed in this Act were advertised once each week in two
newspapers of general circulation in the county for two weeks; and
WHEREAS, the County Council held a hearing on the tax changes in this Act on April 30, 2019; now, therefore

By repealing and reenacting, with amendments

Sections 11-4-401, 11-4-402, 11-4-403, 11-4-404(a), 11-4-405(a), and 11-4-406(a)
Subtitle 4. Transient Occupancy Tax.
Title 4. Various Taxes.
Article 11. Taxation
Baltimore County Code, 2015

By repealing and reenacting, with amendments

Section 21-10-101
Title 10. Hotels and Motels
Article 21. Permits, Licenses and Business Regulation
Baltimore County Code, 2015

SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF BALTIMORE COUNTY, MARYLAND that the Laws of Baltimore County shall read as follows:

Article 11. Taxation
§ 11-4-401.
(a) In this subtitle the following words have the meanings indicated.

(b) (1) “ACCOMMODATIONS INTERMEDIARY” MEANS A PERSON, OTHER THAN AN ACCOMMODATIONS PROVIDER, WHO RECEIVES, FACILITATES OR ARRANGES PAYMENT, DIRECTLY, INDIRECTLY, OR THROUGH AN ONLINE PLATFORM, FOR THE SALE OR USE OF A SLEEPING ACCOMMODATION.

(C) “ACCOMMODATIONS PROVIDER” MEANS A PERSON THAT OWNS, OPERATES OR MANAGES A SLEEPING ACCOMMODATION AND MAKES THE ACCOMMODATION AVAILABLE FOR SALE OR USE TO A TRANSIENT.
(D)(1) "Room rental" means the total charge made for any sleeping accommodation furnished to a transient.

(2) "ROOM RENTAL" INCLUDES ANY SERVICE FEE, BROKER’S FEE, OR OTHER CHARGE OR FEE REQUIRED TO BE PAID BY THE TRANSIENT REGARDLESS OF WHAT THE CHARGE IS CALLED OR HOW THE CHARGE IS DESIGNATED.

[(2)] (3) "Room rental" does not include:

(i) Any charge for any service or accommodation other than the right to use a sleeping space in a sleeping accommodation;

(ii) Rent paid for a room at a hospital, medical clinic, convalescent home, or home for aged people; or

(iii) A charge made for a sleeping accommodation furnished to a federal, state, or county official or employee when on official business.

[(3)] (4) If the charge made by a sleeping accommodation to a transient includes any charge for services or accommodations in addition to the room rental, the portion of the total charge that represents only room rental shall be distinctly set out and billed to a transient by the sleeping accommodation as a separate item.

[(c)] (E) "Sleeping accommodation" means any public or private hotel, inn, hostelry, tourist home, house, motel, rooming house, BED AND BREAKFAST, BOARDING OR ROOMING HOUSE, or other lodging place within the county that offers, at any one time and for compensation to the owner or operator, sleeping accommodations for [five or more transients] ONE OR MORE TRANSIENT GUESTS OR TENANTS.
"Transient" means a person who, for [any period of not more than 25] LESS THAN 90 consecutive days, obtains sleeping accommodations for which charge is made, either at the person's own expense or at the expense of another.

§ 11-4-402.

(a) In accordance with the authority granted under § 11-1-102 of this article, there is levied and imposed a transient occupancy tax on the room rental paid by a transient for sleeping accommodations.

(b) (1) The transient occupancy tax rate is [8%] 9.5% of the room rental paid by a transient.

(2) When collected, the tax shall be made a part of the general funds of the county, except that 8% of the amount collected shall be allocated each fiscal year to the operating budget of the Office of Tourism and Promotion to fund tourism and tourism related activities.

§ 11-4-403.

(a) At the time payment for a room rental is made, a person, AN ACCOMMODATIONS PROVIDER, OR ACCOMMODATIONS INTERMEDIARY receiving payment for the room rental shall collect the amount of the transient occupancy tax from the transient on whom the tax is levied or from the person paying for the room rental.

(b) Until the person, ACCOMMODATIONS PROVIDER, OR ACCOMMODATIONS INTERMEDIARY remits the taxes to the Director, the taxes required to be collected under this section are deemed to be held in trust by the person required to collect the taxes.
(c) On or before the last day of each month, the person, ACCOMMODATIONS PROVIDER, OR ACCOMMODATIONS INTERMEDIARY collecting the transient occupancy tax shall:

(1) On a signed form that includes information required by the Director, issue a report to the Director showing the amount of the room rental charges and taxes required to be collected during the preceding month; and

(2) Remit to the Director the total tax as shown on the report.

(d) (1) On written application to and with the consent of the Director, a person, AN ACCOMMODATIONS PROVIDER, OR ACCOMMODATIONS INTERMEDIARY operating a sleeping accommodation regularly throughout the year may make reports and remittances on a quarterly basis instead of the monthly basis requirement.

(2) The person, ACCOMMODATIONS PROVIDER, OR ACCOMMODATIONS INTERMEDIARY shall make quarterly reports and remittances on or before the last days of April, July, October, and January in each year, and shall cover the amounts collected during the 3 months immediately preceding the months in which reports and remittances are due.

(e) If a person, AN ACCOMMODATIONS PROVIDER, OR ACCOMMODATIONS INTERMEDIARY required to collect, report, and remit the transient occupancy tax ceases to operate or otherwise disposes of the person's business, any tax payable shall become due immediately and the person shall make a report and pay the tax due immediately.
(f) A person, AN ACCOMMODATIONS PROVIDER, OR ACCOMMODATIONS INTERMEDIARY making a remittance under this section by check or money order shall make the check or money order payable to Baltimore County, Maryland.

§ 11-4-404.

(a) If a person, AN ACCOMMODATIONS PROVIDER, OR ACCOMMODATIONS INTERMEDIARY responsible for collecting and remitting the transient occupancy tax does not remit to the Director the tax within the time and in the amount required in this subtitle, the Director of Budget and Finance shall add to the tax:

(1) 1% interest for each month or fraction of a month after the first month that any amount of taxes is overdue; and

(2) A 10% penalty for any amount of taxes overdue by 1 month.

§ 11-4-405.

(a) The Director:

(1) Shall attempt to ascertain the name of each person, ACCOMMODATIONS PROVIDER OR ACCOMMODATIONS INTERMEDIARY operating sleeping accommodations who does not collect, report, and remit the transient occupancy tax as required under this subtitle within the time provided by this subtitle; and

(2) May take necessary steps to obtain facts and information on which to base an estimate of the tax due.

§ 11-4-406.
(a) A person, AN ACCOMMODATIONS PROVIDER, OR ACCOMMODATIONS INTERMEDIARY who violates any provisions of this subtitle is guilty of a misdemeanor and on conviction is subject to a fine not exceeding $500.

Article 21. Permits, Licenses and Business Regulation

§ 21-10-101.

(A) IN THIS TITLE, "SLEEPING ACCOMMODATION" HAS THE MEANING STATED IN § 11-4-401 OF THE CODE.

(B) A person shall be licensed annually by the Department before the person may operate a hotel [or motel], MOTEL OR SLEEPING ACCOMMODATION.

SECTION 2. AND BE IT FURTHER ENACTED, that this Act shall take effect 45 days from the date of enactment.