

**HOUSE BILL 713**  
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2000 Regular Session  
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**By: Frederick County Delegation**

Introduced and read first time: February 10, 2000  
Assigned to: Ways and Means

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Committee Report: Favorable with amendments  
House action: Adopted  
Read Second Time: March 14, 2000  
Recommitted to: Ways and Means, March 16, 2000  
Committee Report: Favorable  
House action: Adopted  
Read second time: Read second time: March 21, 2000

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Frederick County - Hotel Rental Tax**

3 FOR the purpose of authorizing Frederick County to impose a hotel rental tax at not  
4 more than a certain rate; authorizing the governing body of Frederick County to  
5 provide for certain exemptions under the hotel rental tax; requiring a hotel in  
6 Frederick County to take certain actions relating to administration of the hotel  
7 rental tax; requiring that certain revenues be used for certain purposes in  
8 Frederick County; defining a certain term; and generally relating to authority  
9 for Frederick County to impose a hotel rental tax.

10 BY repealing and reenacting, with amendments,  
11 Article 24 - Political Subdivisions - Miscellaneous Provisions  
12 Section 9-301(b) and (f), 9-304(b), 9-305(a), 9-310(a), and 9-318  
13 Annotated Code of Maryland  
14 (1998 Replacement Volume and 1999 Supplement)

15 BY repealing and reenacting, without amendments,  
16 Article 24 - Political Subdivisions - Miscellaneous Provisions  
17 Section 9-304(a)  
18 Annotated Code of Maryland  
19 (1998 Replacement Volume and 1999 Supplement)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article 24 - Political Subdivisions - Miscellaneous Provisions**

4 9-301.

5 (b) "Authorized county" means:

6 (1) A code county;

7 (2) Calvert County;

8 (3) Cecil County;

9 (4) Charles County;

10 (5) Dorchester County;

11 (6) FREDERICK COUNTY;

12 [(6)] (7) Garrett County;

13 [(7)] (8) St. Mary's County;

14 [(8)] (9) Somerset County;

15 [(9)] (10) Talbot County;

16 [(10)] (11) Washington County; and

17 [(11)] (12) Wicomico County.

18 (f) (1) Except as provided in paragraph (2) of this subsection, "transient  
19 charge" means a hotel charge for sleeping accommodations for a period not exceeding  
20 4 consecutive months.

21 (2) In FREDERICK COUNTY AND Washington County, "transient charge"  
22 means a hotel charge for sleeping accommodations for a period not exceeding 30 days.

23 (3) "Transient charge" does not include any hotel charge for services or  
24 for accommodations other than sleeping accommodations.

25 9-304.

26 (a) Subject to the limitations in subsections (b) and (c) of this section, the hotel  
27 rental tax rate is the rate that the authorized county sets by resolution.

28 (b) An authorized county may not set a hotel rental tax rate that exceeds:

29 (1) 3% in a code county;

- 1 (2) 5% in Calvert County;
- 2 (3) 3% in Cecil County;
- 3 (4) 5% in Charles County;
- 4 (5) 5% in Dorchester County;
- 5 (6) 5% IN FREDERICK COUNTY;
- 6 [(6)] (7) 5% in Garrett County;
- 7 [(7)] (8) 5% in St. Mary's County;
- 8 [(8)] (9) 3% in Somerset County;
- 9 [(9)] (10) 3% in Talbot County;
- 10 [(10)] (11) 3% in Washington County; and
- 11 [(11)] (12) 5% in Wicomico County.

12 9-305.

13 (a) Calvert County, FREDERICK COUNTY, and St. Mary's County may provide,  
 14 by resolution, a tax exemption for classes of hotels.

15 9-310.

- 16 (a) A hotel shall complete, sign, and file a hotel rental tax return with:
- 17 (1) A code county, on or before the 10th day of each month;
- 18 (2) Calvert County, on or before the 21st day of each month;
- 19 (3) Cecil County, on or before the 10th day of each month;
- 20 (4) Charles County, on or before the 21st day of each month;
- 21 (5) Dorchester County, on or before the 21st day of each month;
- 22 (6) FREDERICK COUNTY, ON OR BEFORE THE 21ST DAY OF EACH MONTH;
- 23 [(6)] (7) Garrett County, on or before the 21st day of each month;
- 24 [(7)] (8) St. Mary's County, on or before the 21st day of each month;
- 25 [(8)] (9) Somerset County, on or before the 21st day of each month;
- 26 [(9)] (10) Talbot County, on or before the 20th day of each month;

1            [(10)]    (11)    Washington County, on or before the 25th day of each month;  
2 and

3            [(11)]    (12)    Wicomico County, on or before the 20th day of each month.

4 9-318.

5        (a)        Except for Talbot County, Washington County, and Dorchester County, an  
6 authorized county shall distribute the hotel rental tax revenue as follows:

7            (1)        From the total revenue, a reasonable sum for hotel rental tax  
8 administrative costs to the general fund of the county;

9            (2)        In a code county and Calvert, Cecil, Garrett, and St. Mary's Counties,  
10 after the distribution in item (1) of this subsection, the revenue attributable to a hotel  
11 located in a municipal corporation to the municipal corporation; and

12            (3)        The remaining balance to the general fund of the county.

13        (b)        (1)        Cecil County may not deduct more than 5% of the revenue for  
14 administrative costs under subsection (a)(1) of this section.

15            (2)        Garrett County shall designate a part of the balance under  
16 subsection (a)(3) of this section for the promotion of the County.

17            (3)        (i)        Wicomico County may not deduct more than 5% of the revenue  
18 for administrative costs under subsection (a)(1) of this section.

19                    (ii)        If Wicomico County authorizes a hotel rental tax rate of 5%, the  
20 county shall distribute:

21                                    1.        20% of the revenue to the Salisbury Zoological Park; and

22                                    2.        20% of the revenue to the Tourism Center for Wicomico  
23 County to be used for its operation and maintenance.

24                    (iii)        Wicomico County shall deposit all remaining revenues, after the  
25 distributions under subsection (a)(1) of this section and subparagraphs (ii) and (iii) of  
26 this paragraph in the general funds of Wicomico County to underwrite the Wicomico  
27 County Convention and Visitors Bureau.

28            (4)        Washington County:

29                    (i)        May not deduct more than 5% of the revenue for administrative  
30 costs under subsection (a)(1) of this section; and

31                    (ii)        Shall deposit all remaining revenues, after the distribution  
32 under subsection (a)(1) of this section, in the general funds of Washington County to  
33 underwrite the Washington County tourism budget and, when established, the  
34 Washington County Convention Bureau.

1 (5) FREDERICK COUNTY:

2 (I) MAY NOT DEDUCT MORE THAN 5% OF THE REVENUE FOR  
3 ADMINISTRATIVE COSTS UNDER SUBSECTION (A)(1) OF THIS SECTION; AND

4 (II) SHALL DEPOSIT ALL REMAINING REVENUES IN THE GENERAL  
5 FUNDS OF FREDERICK COUNTY TO UNDERWRITE THE FREDERICK COUNTY TOURISM  
6 BUDGET.

7 (6) Dorchester County shall distribute:

8 (i) 80% of the revenues attributable to a hotel located in a  
9 municipal corporation to that municipal corporation; and

10 (ii) The remaining revenues to the general fund of the County.

11 (c) An authorized county shall make the distributions required under this  
12 section between the 15th day and the 30th day of each calendar month.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
14 July 1, 2000.