

Department of Legislative Services
Maryland General Assembly
2003 Session

FISCAL AND POLICY NOTE

House Bill 1150
Ways and Means

(Washington County Delegation)

Budget and Taxation

**Washington County - Taxes - Space for Recreation Vehicles and Camping
Shelters**

This bill authorizes Washington County to set a tax rate of 6% for any recreational vehicle or camping shelter intended and used for temporary occupancy for a period not exceeding 30 days. The bill also provides that the revenue generated by this tax must be distributed in the same manner that hotel/motel tax revenue is distributed.

The bill is effective July 1, 2003.

Fiscal Summary

State Effect: None.

Local Effect: Washington County revenues would increase by approximately \$70,000 annually. Expenditures would not be affected.

Small Business Effect: Minimal.

Analysis

Current Law: A county or municipal corporation may impose, by resolution or ordinance, a tax on the amount paid for: (1) the rental, leasing, or use of any space, facilities, or accommodations for a recreational vehicle or camping shelter in a trailer park or mobile home park, regardless of the period of occupancy; or (2) the providing of any services by trailer park or mobile home court or park in connection with the rental,

leasing, or use of any space, facilities, or accommodations for a recreational vehicle or camping shelter. The rate of the tax may not exceed 3% on the amounts subject to tax.

Background: Washington County must distribute 45% of the hotel rental tax revenue collected in the county to its general fund for funding the Hagerstown/Washington County Convention and Visitors Bureau. The remainder goes to a special fund to pay for administrative costs and legal fees incurred in administering the hotel rental tax, help develop tourism attractions, enhance economic development, and support cultural and recreational projects in the county.

Local Fiscal Effect: Washington County has not imposed the hotel/motel tax of 3% on the taxable amount paid for any recreational vehicle or camping shelter intended and used for temporary occupancy for a period not exceeding 30 days. The county estimates that it could have collected revenues of \$35,000 annually if it had imposed the tax. Accordingly, doubling and imposing the tax rate would generate revenues of approximately \$70,000 annually.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Washington County, Department of Legislative Services

Fiscal Note History: First Reader - March 19, 2003
mam/hlb

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