

# HOUSE BILL 1523

Q8

5lr2717

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By: **Chair, Howard County Delegation**

Introduced and read first time: February 20, 2025

Assigned to: Rules and Executive Nominations

Re-referred to: Ways and Means, February 25, 2025

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Committee Report: Favorable

House action: Adopted

Read second time: March 5, 2025

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Howard County – Room Rental Tax – Maximum Rate and Distribution**

3 **Ho. Co. 18–25**

4 FOR the purpose of altering the maximum sales or use tax rate that Howard County is  
5 authorized to impose on certain room rentals in the County; requiring the County to  
6 distribute certain revenue attributable to certain tax rates imposed by the County to  
7 certain entities; and generally relating to the Howard County sales or use tax on  
8 room rentals for sleeping accommodations for transients.

9 BY repealing and reenacting, without amendments,  
10 The Public Local Laws of Howard County  
11 Section 20.400(a)  
12 Article 14 – Public Local Laws of Maryland  
13 (1977 Edition and October 2022 Supplement, as amended)

14 BY repealing and reenacting, with amendments,  
15 The Public Local Laws of Howard County  
16 Section 20.400(b)  
17 Article 14 – Public Local Laws of Maryland  
18 (1977 Edition and October 2022 Supplement, as amended)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



**Article 14 – Howard County**

20.400.

(a) Howard County may impose, by law, and collect a sales or use tax on room rentals in the county for sleeping accommodations for transients.

(b) (1) The rate of the tax authorized under this section may not exceed [seven] **EIGHT** percent.

(2) Subject to the annual County budget and appropriation process, the County shall distribute any revenue attributable to a tax rate greater than five percent **BUT NOT GREATER THAN SEVEN PERCENT** imposed by the County under this subsection as follows:

(i) Two-thirds to the Howard County Tourism Council; and

(ii) One-third to the Howard County Economic Development Authority.

**(3) SUBJECT TO THE ANNUAL COUNTY BUDGET AND APPROPRIATION PROCESS, THE COUNTY SHALL DISTRIBUTE ANY REVENUE ATTRIBUTABLE TO A TAX RATE GREATER THAN SEVEN PERCENT IMPOSED BY THE COUNTY UNDER THIS SUBSECTION TO THE HOWARD COUNTY TOURISM COUNCIL.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2025.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.