

NANCY J. KING  
*Legislative District 39*  
Montgomery County

MAJORITY LEADER

Budget and Taxation Committee

*Chair*

Education, Business and  
Administration Subcommittee



James Senate Office Building  
11 Bladen Street, Room 120  
Annapolis, Maryland 21401  
301-858-3686 · 410-841-3686  
800-492-7122 Ext. 3686  
Fax 301-858-3670 · 410-841-3670  
Nancy.King@senate.state.md.us

THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

**SPONSOR STATEMENT**

**Senate Bill 691 – Home Amenity Rentals –  
Sales and Use Tax Imposed and Local Tax Authority**

March 9, 2023

Mister Chairman and Members of the Budget and Taxation Committee:

The short-term rental industry is booming and with ever changing technology the industry continues to innovate and change. One of the newer innovations is Home Amenity Rentals. A home amenity rental is the rental of any portion, of a residential property, whether indoors or outdoors, excluding bedrooms or any portion of the property intended for sleeping quarters, that is occupied by the hour and for not more than 15 hours consecutively.

Senate Bill 691 will update Maryland tax structure already in place for short-term rental like Airbnb to include these newer home amenity rentals. Short-term rentals are subject to sales tax and local lodging/transient tax, and Senate Bill 691 mirrors that tax structure with the only change being a reduction of the county and municipality tax by half. This reduction reflects the fact that home amenity rentals are typically 2-3 hours (and no more than 15 hours), where short term rentals are a minimum of 20 hours.

This legislation simply ensures that our tax structure continues to keep pace with every changing industry trends and establishes fair and equitable tax treatment of home amenity rentals, and so I respectfully request a favorable report on Senate Bill 691.