



Bill: HB 1103/SB 979 - Local Government - Accommodations Intermediaries - Hotel Rental Tax Collection by Comptroller

Position: Favorable with Amendments

Dear Chair, Vice-Chair, and Members of the Committee:

On behalf of the City of Gaithersburg, we write to provide the following thoughts and potential amendments on HB 1103/SB 979.

1. For Cities that impose their own Hotel & Motel Tax, separately from the County, will they receive information directly from the Comptroller to help the City verify hotel rental tax liability for the tax remitted and receive distributions directly from the Comptroller for the hotel rental tax collected and remitted by an accommodation intermediary, like the County?

If so, we suggest that this be clearly stated in Section 20-434 (page 17).

2. If Cities imposing their own tax will not receive information and payment directly from the Comptroller, what information will be provided to the County so that they can parse this information out to the municipalities within their jurisdictions that have their own hotel tax? Additionally, will additional fees above what the Comptroller charges be tacked on by the County when remitting payments to the City?

If the way the language is currently worded is for Counties to pass on the tax to the municipalities (including cities imposing their own tax, not just a % share agreement), we suggest language in which the Comptroller will provide the information and payments directly to the Cities that have set their own rates be added. We anticipate this to make things much more streamlined.

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MAYOR
Jud Ashman

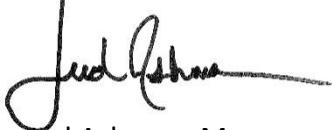
COUNCIL MEMBERS
Neil Harris
Lisa Henderson
Yamil Hernández
Jim McNulty
Robert Wu

CITY MANAGER
Tanisha R. Briley

Lastly, we would suggest that additional clarification be added about the returns the intermediary's file. If they file a consolidated return, the individual hotel information and location will need to be provided to ensure the tax is collected and allocated to the correct jurisdiction.

Thank you and we appreciate you considering these thoughts and amendments. Should you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Jud Ashman", with a long horizontal flourish extending to the right.

Jud Ashman, Mayor
City of Gaithersburg