

77TH OREGON LEGISLATIVE ASSEMBLY  
2013 REGULAR SESSION  
STAFF MEASURE SUMMARY  
HOUSE REVENUE COMMITTEE

MEASURE: HB 2656 - A  
CARRIER: Rep. Barnhart

**REVENUE: Revenue Impact Statement Issued**  
**FISCAL: Fiscal Impact Issued**

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**Action:** Do Pass as Amended and be Printed Engrossed  
**Vote:** 7-2-0  
**Yeas:** Bailey, Berger, Davis, Gelser, Read, Vega Pederson, Barnhart  
**Nays:** Bentz, Conger  
**Exc.:** 0

**Prepared By:** Mazen Malik, Economist  
**Meeting Dates:** 03/06, 05/29

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**WHAT THE BILL DOES:** Requires transient lodging provider and transient lodging intermediary to collect and remit transient lodging taxes computed on total retail price, including all charges other than taxes, paid by person for occupancy of transient lodging.

**ISSUES DISCUSSED:**

- Tax base and applicable price (retail or wholesale).
- What the tax applies to and how it is calculated.
- Cleaning services, parking services and other services.
- Charges that come as a condition for the rental.
- Internet model and online reservations.
- Price differences between online companies (OTC) and hotel website.

**EFFECT OF COMMITTEE AMENDMENTS:** The amendment directs the Tourism Commission to use proceeds of the new enforcement (or a minimum of \$600,000) in consultation with the office of film and video.

**BACKGROUND:**

Transit lodging tax is defined and detailed in ORS 320. The providers of transient lodging (hotel, motel, conference rooms, condominium for rent, and other temporary rental facilities) are meant to collect the tax and receive 5% compensation. This measure changes the definition of who is the tax collector, and introduces the definition of the intermediary who along with the previously defined providers becomes the tax collectors. The measure also identifies the point of taxation to be at the retail level which in essence allows the new tax collectors (internet service companies) to pay the tax based on their sale price (retail price to consumer) not the (net or wholesale) price they were charged by the lodging provider (hotel/motel). The measure also explains the base of the tax to be inclusive of all fees and charges other than taxes.

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