

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
Seventy-Seventh Oregon Legislative
Assembly
2013 Regular Session
Legislative Revenue Office

Bill Number: HB2656-B
Revenue Area: Transient Lodging Tax
Economist: Mazen Malik
Date: 06/09/2013

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

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.

Revenue Impact (in \$Millions):

Revenue increases as a result of enhanced collection of revenue based on the current law language and definition of the tax base.

	13-15	15-17	17-19
State	\$ 0.65	\$ 0.83	\$ 0.89
Local	\$ 5.51	\$ 7.03	\$ 7.86
Total	\$ 6.16	\$ 7.53	\$ 8.42

Impact Explanation:

The passage of this measure will obligate Department of Revenue to interpret and enforce the current statutes relating to the Transient Lodging Tax as applicable to the retail price of lodging. This price is different than the de-facto wholesale price used today by the industry. The wholesale (base) price used today does not include services and fees. The retail price (as the bill enforces current law) will be inclusive of all (non-optional) fees and services included in the rental price. Eighty four cities and fifteen counties in Oregon levy a locally administered transient lodging tax. Online Travel Companies (OTC) will have to collect the tax based on the final price that the consumer pays.

Creates, Extends, or Expands Tax Expenditure: Yes No