

**HB 2400 STAFF MEASURE SUMMARY**

**Senate Committee On Finance and Revenue**

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**Prepared By:** Mazen Malik, Senior Economist

**Meeting Dates:** 5/1

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**WHAT THE MEASURE DOES:**

Authorizes any state agency or department to enter into agreements with any political subdivision for collection, enforcement, administration and distribution of local transient lodging taxes.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

**BACKGROUND:**

HB 4146 directed the Legislative Revenue Office to lead an interim work group to study a series of specific travel industry issues. HB 4146 marked the first major change in Oregon’s statewide transient lodging tax law since it was created in 2003 with the passage of HB 2267. HB 4146 directed the Legislative Revenue Office to lead a work group to examine a series of issues that arose during the 2016 Legislative session. These specific issues are identified in this report along with specific responses to each based on work group deliberations. For a full copy of the report go to: <https://www.oregonlegislature.gov/lro/Documents/HB%204146%20Work%20Group%20Report.pdf>

One of the workgroup major findings was: The work group recognized that structural changes within the lodging industry, such as the involvement of intermediaries and vacation/home rentals, can complicate the ability of state and local governments to ensure compliance with the transient lodging tax laws. To improve the information available to both state and local governments, the work group recommends that the Department of Revenue be granted statutory authority to enter into information sharing agreements with local governments concerning transient lodging taxpayers.