

Requested by HOUSE COMMITTEE ON REVENUE

**PROPOSED AMENDMENTS TO
HOUSE BILL 2064**

1 In line 2 of the printed bill, delete “amending” and insert “and amending
2 ORS 320.300, 320.305, 320.325 and 320.350 and”.

3 In line 3, delete “; and prescribing an effective date”.

4 Delete lines 11 and 12 and insert:

5 **“SECTION 3.** ORS 320.300 is amended to read:

6 “320.300. As used in ORS 320.300 to 320.350:

7 “(1) ‘Collection reimbursement charge’ means the amount a transient
8 lodging tax collector may retain as reimbursement for the costs incurred by
9 the transient lodging tax collector in collecting and reporting a transient
10 lodging tax and in maintaining transient lodging tax records.

11 “(2) ‘Conference center’ means a facility that:

12 “(a) Is owned or partially owned by a unit of local government, a gov-
13 ernmental agency or a nonprofit organization; and

14 “(b) Meets the current membership criteria of the International Associ-
15 ation of Conference Centers.

16 “(3) ‘Convention center’ means a new or improved facility that:

17 “(a) Is capable of attracting and accommodating conventions and trade
18 shows from international, national and regional markets requiring exhibition
19 space, ballroom space, meeting rooms and any other associated space, in-
20 cluding without limitation banquet facilities, loading areas and lobby and
21 registration areas;

1 “(b) Has a total meeting room and ballroom space between one-third and
2 one-half of the total size of the center’s exhibition space;

3 “(c) Generates a majority of its business income from tourists;

4 “(d) Has a room-block relationship with the local lodging industry; and

5 “(e) Is owned by a unit of local government, a governmental agency or a
6 nonprofit organization.

7 “(4) ‘Local transient lodging tax’ means a tax imposed by a unit of local
8 government on the sale, service or furnishing of transient lodging.

9 “(5) ‘State transient lodging tax’ means the tax imposed under ORS
10 320.305.

11 “(6) ‘Tourism’ means economic activity resulting from tourists.

12 “(7) ‘Tourism promotion’ means any of the following activities:

13 “(a) Advertising, publicizing or distributing information for the purpose
14 of attracting and welcoming tourists;

15 “(b) Conducting strategic planning and research necessary to stimulate
16 future tourism development;

17 “(c) Operating tourism promotion agencies; and

18 “(d) Marketing special events and festivals designed to attract tourists.

19 “(8) ‘Tourism promotion agency’ includes:

20 “(a) An incorporated nonprofit organization or governmental unit that is
21 responsible for the tourism promotion of a destination on a year-round basis.

22 “(b) A nonprofit entity that manages tourism-related economic develop-
23 ment plans, programs and projects.

24 “(c) A regional or statewide association that represents entities that rely
25 on tourism-related business for more than 50 percent of their total income.

26 “(9) ‘Tourism-related facility’ means:

27 “(a) A conference center, convention center or visitor information center;
28 and

29 “(b) Other improved real property that has a useful life of 10 or more
30 years and has a substantial purpose of supporting tourism or accommodating

1 tourist activities.

2 “(10) ‘Tourist’ means a person who, for business, pleasure, recreation or
3 participation in events related to the arts, heritage or culture, travels from
4 the community in which that person is a resident to a different community
5 that is separate, distinct from and unrelated to the person’s community of
6 residence, and that trip:

7 “(a) Requires the person to travel more than 50 miles from the community
8 of residence; or

9 “(b) Includes an overnight stay.

10 “(11) ‘Transient lodging’ means:

11 “(a) Hotel, motel and inn dwelling units that are used for temporary
12 overnight human occupancy;

13 “(b) Spaces used for parking recreational vehicles or erecting tents during
14 periods of human occupancy; or

15 “(c) Houses, cabins, condominiums, apartment units or other dwelling
16 units, or portions of any of these dwelling units, that are used for temporary
17 human occupancy.

18 “(12) ‘Transient lodging intermediary’ means a person other than a tran-
19 sient lodging provider that facilitates the retail sale of transient lodging
20 and:

21 “(a) Charges for occupancy of the transient lodging[.];

22 “(b) **Collects the consideration charged for occupancy of the tran-**
23 **sient lodging; or**

24 “(c) **Receives a fee or commission and requires the transient lodging**
25 **provider to use a specified third-party entity to collect the consider-**
26 **ation charged for occupancy of the transient lodging.**

27 “(13) ‘Transient lodging provider’ means a person that furnishes transient
28 lodging.

29 “(14) ‘Transient lodging tax collector’ means a transient lodging provider
30 or a transient lodging intermediary.

1 “(15) ‘Unit of local government’ has the meaning given that term in ORS
2 190.003.

3 “(16) ‘Visitor information center’ means a building, or a portion of a
4 building, the main purpose of which is to distribute or disseminate informa-
5 tion to tourists.

6 “**SECTION 4.** ORS 320.325 is amended to read:

7 “320.325. (1) Every transient lodging tax collector is deemed to hold the
8 amount of state transient lodging taxes collected in trust for the State of
9 Oregon and for payment to the Department of Revenue in the manner and
10 at the time provided under ORS 320.315.

11 “(2) At any time **that** the transient lodging tax collector fails to remit
12 any amount of state transient lodging taxes deemed to be held in trust for
13 the State of Oregon, the department may enforce collection by the issuance
14 of a distraint warrant for the collection of the delinquent amount and all
15 penalties, interest and collection charges accrued on the delinquent amount.
16 The warrant shall be issued, docketed and proceeded upon in the same man-
17 ner and shall have the same force and effect as warrants for the collection
18 of delinquent income taxes.

19 “**(3) Notwithstanding ORS 320.305, if the transient lodging is owned**
20 **by more than one person, each and every owner may be held jointly**
21 **and severally liable for any tax imposed under ORS 320.305 with respect**
22 **to a transient lodging transaction.**

23 “**SECTION 5.** ORS 320.350 is amended to read:

24 “320.350. (1) A unit of local government that did not impose a local
25 transient lodging tax on July 1, 2003, may not impose a local transient
26 lodging tax on or after July 2, 2003, unless the imposition of the local tran-
27 sient lodging tax was approved on or before July 1, 2003.

28 “(2) A unit of local government that imposed a local transient lodging tax
29 on July 1, 2003, may not increase the rate of the local transient lodging tax
30 on or after July 2, 2003, to a rate that is greater than the rate in effect on

1 July 1, 2003, unless the increase was approved on or before July 1, 2003.

2 “(3) A unit of local government that imposed a local transient lodging tax
3 on July 1, 2003, may not decrease the percentage of total local transient
4 lodging tax revenues that are actually expended to fund tourism promotion
5 or tourism-related facilities on or after July 2, 2003. A unit of local govern-
6 ment that agreed, on or before July 1, 2003, to increase the percentage of
7 total local transient lodging tax revenues that are to be expended to fund
8 tourism promotion or tourism-related facilities, must increase the percentage
9 as agreed.

10 “(4) Notwithstanding subsections (1) and (2) of this section, a unit of local
11 government that is financing debt with local transient lodging tax revenues
12 on November 26, 2003, must continue to finance the debt until the retirement
13 of the debt, including any refinancing of that debt. If the tax is not otherwise
14 permitted under subsection (1) or (2) of this section, at the time of the debt
15 retirement:

16 “(a) The local transient lodging tax revenue that financed the debt shall
17 be used as provided in subsection (5) of this section; or

18 “(b) The unit of local government shall thereafter eliminate the new tax
19 or increase in tax otherwise described in subsection (1) or (2) of this section.

20 “(5) Subsections (1) and (2) of this section do not apply to a new or in-
21 creased local transient lodging tax if all of the net revenue from the new or
22 increased tax, following reductions attributed to collection reimbursement
23 charges, is used consistently with subsection (6) of this section to:

24 “(a) Fund tourism promotion or tourism-related facilities;

25 “(b) Fund city or county services; or

26 “(c) Finance or refinance the debt of tourism-related facilities and pay
27 reasonable administrative costs incurred in financing or refinancing that
28 debt, provided that:

29 “(A) The net revenue may be used for administrative costs only if the unit
30 of local government provides a collection reimbursement charge; and

1 “(B) Upon retirement of the debt, the unit of local government reduces
2 the tax by the amount by which the tax was increased to finance or refinance
3 the debt.

4 “(6) At least 70 percent of net revenue from a new or increased local
5 transient lodging tax shall be used for the purposes described in subsection
6 (5)(a) or (c) of this section. No more than 30 percent of net revenue from a
7 new or increased local transient lodging tax may be used for the purpose
8 described in subsection (5)(b) of this section.

9 “[*(7)(a)(A) A local transient lodging tax must be computed on the total re-*
10 *tail price, including all charges other than taxes, paid by a person for occu-*
11 *pancy of the transient lodging.*]

12 “[*(B) The total retail price paid by a person for occupancy of transient*
13 *lodging that is part of a travel package may be determined by reasonable and*
14 *verifiable standards from books and records kept in the ordinary course of the*
15 *transient lodging tax collector’s business.*]

16 “[*(b) The tax shall be collected by the transient lodging tax collector that*
17 *receives the consideration rendered for occupancy of the transient lodging.*]

18 **“SECTION 6. Sections 7 and 8 of this 2017 Act are added to and**
19 **made a part of ORS 320.300 to 320.350.**

20 **“SECTION 7. (1) A local transient lodging tax must be computed**
21 **on the total retail price, including all charges other than taxes, paid**
22 **by a person for occupancy of the transient lodging.**

23 **“(2) The total retail price paid by a person for occupancy of tran-**
24 **sient lodging that is part of a travel package may be determined by**
25 **reasonable and verifiable standards from books and records kept in the**
26 **ordinary course of the transient lodging tax collector’s business.**

27 **“SECTION 8. (1) The transient lodging provider or transient lodging**
28 **intermediary that collects the consideration charged for occupancy of**
29 **transient lodging, or a transient lodging intermediary described in**
30 **ORS 320.300 (12)(c), as applicable, is responsible for collecting any local**

1 transient lodging tax and shall file a return of the tax with the unit
2 of local government that imposes the tax, or with any tax adminis-
3 trator identified by the unit of local government, reporting the amount
4 of tax due during the reporting period to which the return relates.

5 “(2) Returns shall be filed on or before the deadline fixed by the unit
6 of local government for filing of returns and shall be made under
7 penalties for false swearing.

8 “(3) When a return is required under this section, the transient
9 lodging tax collector required to file the return shall remit the taxes
10 due to the unit of local government at the time fixed for filing of re-
11 turns.

12 “(4) This section applies to a transient lodging tax collector unless
13 a charter provision or ordinance or resolution of the unit of local
14 government, or an agreement entered into between the transient
15 lodging tax collector and the unit of local government, provides oth-
16 erwise.

17 **“SECTION 9.** ORS 320.305, as amended by section 1, chapter 102, Oregon
18 Laws 2016, is amended to read:

19 “320.305. (1)(a) A tax of 1.8 percent is imposed on any consideration [*ren-*
20 *dered*] **charged** for the sale, service or furnishing of transient lodging.

21 “(b)(A) The tax must be computed on the total retail price, including all
22 charges other than taxes, paid by a person for occupancy of the transient
23 lodging.

24 “(B) The total retail price paid by a person for occupancy of transient
25 lodging that is part of a travel package may be determined by reasonable and
26 verifiable standards from books and records kept in the ordinary course of
27 the transient lodging tax collector’s business.

28 “(c) The tax shall be collected by the transient lodging [*tax collector that*
29 *receives*] **provider or transient lodging intermediary that collects** the
30 consideration [*rendered*] **charged** for occupancy of the transient lodging, **or**

1 **a transient lodging intermediary described in ORS 320.300 (12)(c), as**
2 **applicable.**

3 “(d) The tax imposed by this subsection is in addition to and not in lieu
4 of any local transient lodging tax.

5 “(2) The transient lodging tax collector may withhold a collection re-
6 imbursement charge of five percent of the amount collected under subsection
7 (1) of this section.

8 **“SECTION 10.** ORS 320.305, as amended by sections 1 and 3, chapter 102,
9 Oregon Laws 2016, is amended to read:

10 “320.305. (1)(a) A tax of 1.5 percent is imposed on any consideration [*ren-*
11 *dered*] **charged** for the sale, service or furnishing of transient lodging.

12 “(b)(A) The tax must be computed on the total retail price, including all
13 charges other than taxes, paid by a person for occupancy of the transient
14 lodging.

15 “(B) The total retail price paid by a person for occupancy of transient
16 lodging that is part of a travel package may be determined by reasonable and
17 verifiable standards from books and records kept in the ordinary course of
18 the transient lodging tax collector’s business.

19 “(c) The tax shall be collected by the transient lodging [*tax collector that*
20 *receives*] **provider or transient lodging intermediary that collects** the
21 consideration [*rendered*] **charged** for occupancy of the transient lodging, **or**
22 **a transient lodging intermediary described in ORS 320.300 (12)(c), as**
23 **applicable.**

24 “(d) The tax imposed by this subsection is in addition to and not in lieu
25 of any local transient lodging tax.

26 “(2) The transient lodging tax collector may withhold a collection re-
27 imbursement charge of five percent of the amount collected under subsection
28 (1) of this section.”.

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