



February 7, 2018

The Honorable Phil Barnhart, Chair House Committee on Revenue
900 Court Street, NE
Salem, OR 97301
Routed to: Iro.exhibits@oregonlegislature.gov

RE: HB 4120-Support

Dear Chair Barnhart and Members of the Committee:

The City of Eugene supports HB 4120, which provides two elements critical to the administration of transient room taxes (TRT), including: 1) expands the definition of “transient lodging intermediary” (TLI), and 2) clarifies the administrative responsibility of TLIs who collect and remit TRT to local government.

This bill clarifies issues regarding who and what is subject to lodging taxes, which has been a long standing challenge. Section 5 defines that the tax should be computed on the total retail price of the room. Currently there is confusion amongst lodging providers as to what room costs should or should not be included in the tax. The bill language clarifies this and establish a standard understanding across jurisdictions.

We are also very supportive of the language within Section 6 to clarify for lodging intermediaries. As an example, currently there are several lodging intermediaries that are operating within Eugene that have interpreted the State’s current definition as not applying to their business model and as such are unwilling to collect and remit room tax. Section 6 addresses this interpretation and provides clarity for those operators and their responsibilities under Oregon state law.

The City is also very supportive that the bill provides rules governing the filing of local transient lodging tax returns including the authorization of local government to subpoena and examine witnesses, administer oaths and order production of evidence in the hands of any person as necessary and proper prosecution of inquiries related to local transient lodging tax.

As Eugene continues to see a growing market for short term rentals, HB 4120 is critical in our ability to support the livability within our community and the ability to equitably apply state and local regulations to the growing industry.

Sincerely,

Ethan Nelson
Intergovernmental Relations Manager. (submitted electronically)