

House Bill 3358

Sponsored by Representative KENY-GUYER; Representatives NOBLE, NOSSE, Senators BOQUIST, DEMBROW, FAGAN, MANNING JR, STEINER HAYWARD

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Increases state transient lodging tax rate and provides for transfer of moneys attributable to increase to county in which taxes were collected. Requires transferred moneys to be used exclusively for affordable housing in county.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to state transient lodging taxes; creating new provisions; amending ORS 320.305 and
3 320.335; prescribing an effective date; and providing for revenue raising that requires approval
4 by three-fifths majority.

Be It Enacted by the People of the State of Oregon:

5 **SECTION 1.** ORS 320.305, as amended by section 3, chapter 102, Oregon Laws 2016, and section
6 8, chapter 34, Oregon Laws 2018, is amended to read:

7 320.305. (1)(a) A tax of *[1.5]* **1.8** percent is imposed on any consideration charged for the sale,
8 service or furnishing of transient lodging.

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

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

14 (c) The tax shall be collected by the transient lodging provider or transient lodging intermediary
15 that collects the consideration charged for occupancy of the transient lodging, or a transient lodging
16 intermediary described in ORS 320.300 (12)(c), as applicable.

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

19 (2) The transient lodging tax collector may withhold a collection reimbursement charge of five
20 percent of the amount collected under subsection (1) of this section.

21 **SECTION 2. The amendments to ORS 320.305 by section 1 of this 2019 Act apply to con-**
22 **sideration charged on or after July 1, 2020, for the sale, service or furnishing of transient**
23 **lodging.**

24 **SECTION 3.** ORS 320.335 is amended to read:

25 320.335. (1) All moneys received by the Department of Revenue pursuant to ORS 320.305 to
26 320.340, and interest *[thereon]* **on the moneys**, shall be paid to the State Treasurer to be held in a
27 suspense account established under ORS 293.445.

28 (2) After the payment of refunds:

29 *[(1)]* (a) Moneys necessary to reimburse the Department of Revenue for the actual costs incurred
30

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 by the department in administering the state transient lodging tax, not to exceed two percent of
 2 state transient lodging tax collections, are continuously appropriated to the department.[: and]

3 [(2)] (b) [*The balance*] **Any amount** of the moneys received **that is computed on the basis of**
 4 **1.5 percent** shall be transferred to the account of the Oregon Tourism Commission established un-
 5 der ORS 284.131. The moneys transferred under this [*subsection*] **paragraph** are continuously ap-
 6 propriated to the Oregon Tourism Commission for the purposes set forth in ORS 284.131.

7 (c) **Any amount of the moneys received that is computed on a basis in excess of 1.5 per-**
 8 **cent shall be transferred to the tax collector of each county in which the transient lodging**
 9 **taxes were collected, in proportion to the amount of transient lodging tax revenues collected**
 10 **in the county for the reporting period. The tax collector shall deposit the transferred moneys**
 11 **in the county general fund. The moneys shall be used exclusively for purposes of addressing**
 12 **affordable housing in the county.**

13 **SECTION 4. The amendments to ORS 320.335 by section 3 of this 2019 Act apply to**
 14 **amounts of transient lodging taxes imposed under ORS 320.305 that are received by the De-**
 15 **partment of Revenue on or after July 1, 2020.**

16 **SECTION 5. This 2019 Act takes effect on the 91st day after the date on which the 2019**
 17 **regular session of the Eightieth Legislative Assembly adjourns sine die.**

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