

# COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND

## 2024 Legislative Session

Bill No. 2024-XX

## Chapter 281

Introduced by Charles County Board of County Commissioners

Date of Introduction April 16, 2024

## BILL

## AN ACT concerning:

## REVISIONS TO HOTEL RENTAL TAX

FOR the purpose of:

Amending the existing hotel rental tax to clarify, for the avoidance of doubt, that renting an entire dwelling unit or any part thereof for the purpose of sleeping accommodations to a transient, is subject to a hotel rental tax; requiring that a Broker comply with certain collection and remittance requirements of applicable hotel rental tax to the County.

## BY Amending:

## Chapter 281- Taxation

## Article XI, Hotel Rental Tax

§ 281-10 through §281-16

*Code of Charles County, Maryland*

**SECTION 1. BE IT ENACTED BY THE COUNTY COMMISSIONERS OF  
CHARLES COUNTY, MARYLAND, that the Laws of Charles County, Maryland read as  
follows:**

## Article VI

# Hotel Rental Tax

[Adopted 8-17-1988 by Res. No. 88-48]

## § 281-10 Definitions.

In this article, the following words have the meanings indicated:

## BROKER

**A PERSON, OTHER THAN THE OWNER OR OPERATOR OF A HOTEL, THAT RECEIVES, FACILITATES OR ARRANGES PAYMENT OF A TRANSIENT CHARGE, DIRECTLY, INDIRECTLY, OR THROUGH AN ONLINE PLATFORM, FOR HOTEL ACCOMMODATIONS FROM A TRANSIENT.**

## DIRECTOR

The Director of **FISCAL AND ADMINISTRATIVE SERVICES** Finance for Charles County.

## HOTEL

Any individual, corporation, company, association, firm, partnership or similar entity which operates an establishment that offers sleeping accommodations for compensation. Hotel includes an apartment; a cottage; a hostelry; an inn; a motel; a rooming house; or a tourist home; **OR DWELLING UNIT**

## HOTEL RENTAL TAX

The tax authorized under this article.

## TRANSIENT

**AN INDIVIDUAL WHO, FOR A PERIOD NOT EXCEEDING ONE HUNDRED AND TWENTY (120) DAYS, OCCUPIES A HOTEL.**

## TRANSIENT CHARGE

A hotel charge for sleeping accommodations for a period not exceeding **ONE HUNDRED AND TWENTY (120) consecutive DAYS**. Transient charge does not include any hotel charge for services or for accommodations other than sleeping accommodations.

## § 281-11 Tax levied.

A tax of 5% is hereby imposed on each transient charge paid to a hotel **OR BROKER OF A HOTEL** located in Charles County.

## **§ 281-12 Identification and collection; tax held in trust.**

A. A hotel **OR BROKER** shall:

(1) Give the person who is required to pay a transient charge a bill that identifies the transient charge as a separate item from any other charge.

(2) Collect the hotel rental tax from the person who pays the transient charge.

B. A hotel **OR BROKER** holds hotel rental tax collected in trust for Charles County until the

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[Brackets] mean language deleted from the law

hotel **OR BROKER** pays the tax to **THE** that County as required under this article.

## § 281-13 Filing of returns.

- A. A hotel **OR BROKER** shall complete, sign and file a hotel rental tax return with the Director on or before the 21st day of each month **TO REPORT ANY AND ALL TRANSIENT CHARGES COLLECTED BY THE HOTEL OR BROKER NOT EXEMPTED UNDER § 281-16 OF THIS ARTICLE.**
- B. A hotel rental tax **RETURN** shall be filed on the form prescribed by the Director which shall contain all information required, including the **ADDRESS OF THE HOTEL**, **THE** amount of transient charges paid to the hotel **OR BROKER** during the **PRIOR** calendar month, and the hotel rental tax required to be collected during the **period** calendar month.
- C. A hotel **OR BROKER** shall pay to the Director the tax collected for a calendar month with the **HOTEL RENTAL TAX** return that covers that month.

## **§ 281-14 Adoption of regulations.**

To provide for orderly, systematic and thorough administration of the hotel rental tax, the Director may adopt regulations not inconsistent with this article.

### **§ 281-15 Failure to pay tax; lien.**

- A. If a hotel **OR BROKER** fails to pay the hotel rental tax as required by this article, the hotel **OR BROKER** shall pay interest on the unpaid tax from the date on which the hotel is required to pay the tax to the date that the tax is paid. The interest rate for each month or fraction of a month is 0.5%.
- B. If a hotel **OR BROKER** fails to pay the hotel rental tax within one month after the payment is due under this article, the hotel **OR BROKER** shall pay a tax penalty of 10% of the unpaid tax.
- C. Unpaid hotel rental tax is a lien against all real and personal property of the hotel owing the tax and is collectible in the same manner as the property tax may be collected under the Tax - Property Article.

## § 281-16 Exemptions.

The following are exempt from the **HOTEL RENTAL** tax imposed hereby:

- A. Room rental paid by a transient who is a foreign government officer or employee exempted from taxation by reason of an international treaty or any Act of Congress and certifies so.
- B. Room rental paid to any hospital, medical clinic, convalescent home or home for aged people.
- C. Room rental paid to any ~~motel~~ hotel by the use of an authorized voucher system under the control and administration of the Charles County Government or any of its agencies.

