

1 **COUNTY COMMISSIONERS OF CHARLES COUNTY, MARYLAND**

2
3 **2024 Legislative Session**

4
5 Bill No. 2024-XX

6 Chapter 281

7 Introduced by __Charles County Board of County Commissioners

8 Date of Introduction April 16, 2024

9
10 **BILL**

11
12 AN ACT concerning:

13
14 **REVISIONS TO HOTEL RENTAL TAX**

15
16 FOR the purpose of:

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

21 BY Amending:

22 Chapter 281- Taxation

23 Article XI, Hotel Rental Tax

24 § 281-10 through §281-16

25 *Code of Charles County, Maryland*

26
27 **SECTION 1. BE IT ENACTED BY THE COUNTY COMMISSIONERS OF**
28 **CHARLES COUNTY, MARYLAND, that the Laws of Charles County, Maryland read as**
29 **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)** ~~four consecutive DAYS months~~. 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

Asterisks *** mean intervening code language remaining unchanged

CAPITALS mean language added to the law

[Brackets] mean language deleted from the law

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

2 **§ 281-13 Filing of returns.**

3 A. A hotel **OR BROKER** shall complete, sign and file a hotel rental tax return with the
4 Director on or before the 21st day of each month **TO REPORT ANY AND ALL**
5 **TRANSIENT CHARGES COLLECTED BY THE HOTEL OR BROKER NOT**
6 **EXEMPTED UNDER § 281-16 OF THIS ARTICLE.**

7 B. A hotel rental tax **RETURN** shall be filed on the form prescribed by the Director which
8 shall contain all information required, including the **ADDRESS OF THE HOTEL, THE**
9 amount of transient charges paid to the hotel **OR BROKER** during the **PRIOR** calendar
10 month, and the hotel rental tax required to be collected during the ~~period~~ calendar month.

11 C. A hotel **OR BROKER** shall pay to the Director the tax collected for a calendar month with
12 the **HOTEL RENTAL TAX** return that covers that month.

13 **§ 281-14 Adoption of regulations.**

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

16 **§ 281-15 Failure to pay tax; lien.**

17 A. If a hotel **OR BROKER** fails to pay the hotel rental tax as required by this article, the hotel
18 **OR BROKER** shall pay interest on the unpaid tax from the date on which the hotel is
19 required to pay the tax to the date that the tax is paid. The interest rate for each month or
20 fraction of a month is 0.5%.

21 B. If a hotel **OR BROKER** fails to pay the hotel rental tax within one month after the payment
22 is due under this article, the hotel **OR BROKER** shall pay a tax penalty of 10% of the
23 unpaid tax.

24 C. Unpaid hotel rental tax is a lien against all real and personal property of the hotel owing the
25 tax and is collectible in the same manner as the property tax may be collected under the Tax
26 - Property Article.

27 **§ 281-16 Exemptions.**

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

29 A. Room rental paid by a transient who is a foreign government officer or employee exempted
30 from taxation by reason of an international treaty or any Act of Congress and certifies so.

31 B. Room rental paid to any hospital, medical clinic, convalescent home or home for aged
32 people.

33 C. Room rental paid to any ~~motel~~/hotel by the use of an authorized voucher system under the
34 control and administration of the Charles County Government or any of its agencies.

35

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

SECTION 2. AND BE IT FURTHER ENACTED, THAT THIS ACT SHALL TAKE
EFFECT FORTY-FIVE (45) DAYS FROM THE DATE IT IS ADOPTED.

ADOPTED this ____th day of _____, 2024.

COUNTY COMMISSIONERS
CHARLES COUNTY, MARYLAND

Reuben B. Collins, II, Esq. President

Ralph E. Patterson, II, M.A., Vice President

Gilbert O. Bowling, III

Thomasina O. Coates, M.S.

Amanda M. Stewart, M.Ed.

ATTEST:

Carol DeSoto, CAP, OM, Clerk

Asterisks *** mean intervening code language remaining unchanged
CAPITALS mean language added to the law
[Brackets] mean language deleted from the law