

HB 2521 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Meeting Dates: 5/4, 5/11

WHAT THE MEASURE DOES:

Requires transient lodging tax collector to provide invoice, receipt or other similar document that clearly sets forth sum of all transient lodging taxes charged for occupancy of transient lodging. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Transparency for the consumer and uniformity
- Both state and local taxes need to be included
- Auditing and enforcement by DOR and local governments

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2003, the Legislative Assembly (HB 2267) decided to designate the Oregon Tourism Commission a stand-alone agency. The same legislative action established a statewide one percent transient lodging tax to help fund the tourism commission. Under the 2003 law the Legislature defined transient lodging in ORS 320 as “hotel, motel and inn dwelling units that are designed for temporary overnight human occupancy, and [which] includes spaces designed for parking recreational vehicles during periods of human occupancy of those vehicles.”

2013 Legislative Assembly (HB 2656) clarified circumstances under which a transient lodging intermediary rather than a lodging provider would be the entity responsible for collecting and remitting transient lodging taxes. Online Travel Companies (OTC) will have to collect the tax based on the final price that the consumer pays. HB 2400 and HB 3180 of the 2017 session gave DOR and local governments additional enforcement authorities and allowed for better collaboration. HB 4120 of the 2018 session expanded the definition of intermediary to include third party entities for stricter compliance. The 2019 session provided additional clarity to the timing of collection and when the payments are due (HB 3137), allowed the OTC’s to collect on temporary rentals of less than 30 days (HB 3138), and established (and funded) a mechanism for a pilot system to collect local data (HB 3136)