



Cities Support HB 2521

The League of Oregon Cities supports HB 2521, a common sense change to add a requirement that transient lodging taxes be separately identified on receipts given to consumers.

We believe many providers of short-term lodging are already separately identifying these taxes on receipts, and that this best practice should be extended to all providers. This change will aid in enforcement and create more consistent application of this important source of revenue.

Not all services that may be provided by a lodging provider are subject to the tax as the Department of Revenue explains below. Requiring itemized receipts will clarify for which services the provider is charging the tax, and over the long term should increase consistency in the application of the tax.

“If a separate fee is charged for a service and the service is not optional, or if the value of a service is included in the standard lodging rate, the amount charged for the service is subject to the state lodging tax. Examples of fees for non-optional services include but are not limited to: cleaning service, pet charges, extra bed, service, and processing. Examples of services that are included in the standard lodging rate include but are not limited to: free breakfast and free transportation to the airport.

If a separate fee is charged for a service and the service is optional, that fee is not subject to the state lodging tax. Examples of optional services include but are not limited to: pay-per-view movies, room service, use of an honor bar or restaurant meals charged to the room.”

<https://www.oregon.gov/dor/programs/businesses/Pages/lodging.aspx>

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