

Overview

The Oregon state lodging tax program imposes a 1.5 percent tax for all temporary or short-term (less than 30 consecutive days) lodging. It is the responsibility of a transient lodging provider or lodging intermediary who collects the payment for occupancy to collect and remit the lodging tax. Transient lodging intermediaries include online travel companies, travel agents, and tour outfitter companies.

Tax returns and payments are submitted to the Department of Revenue on a quarterly basis. The law allows a transient lodging tax collector to withhold 5 percent of the state lodging taxes they collect to cover their costs for record keeping, reporting, and collecting the tax.

Approximately 92 percent of the transient lodging tax returns are filed electronically using the department’s online portal, Revenue Online (ROL). The remaining 8 percent of returns are filed by paper. These returns include both state and local lodging taxes where the department administers the local tax.

Each quarterly return, whether filed on ROL or by paper, includes the transient lodging tax collector’s name, address and contact information of the person filing the return, the facility name, address, gross receipts, exemptions, and tax due for each facility being reported in the quarter. A few transient lodging intermediaries group all facilities by region, city, and county.

The data filed on a transient lodging tax return is confidential and the department is prohibited from disclosing tax return information, with the exception of specific authority to exchange transient lodging tax details with certain local governments under the transient lodging data exchange program and in the local transient lodging tax administration program. Only aggregate statistics by region or accommodation type may be provided outside of the specific authority.

Taxable Accommodation Types

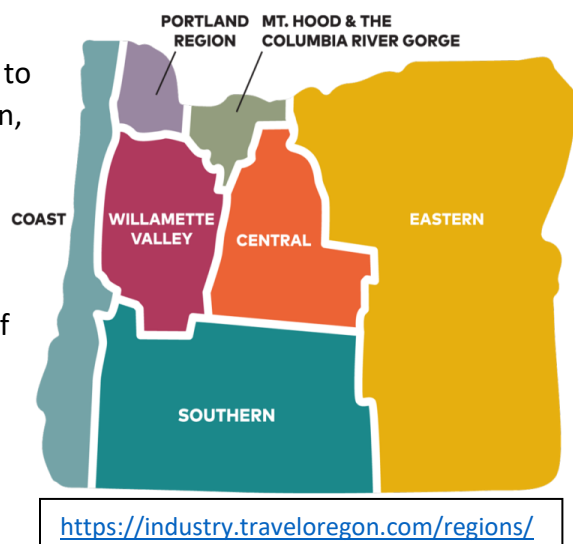
Temporary or short-term lodging accommodations are generally subject to the state lodging tax. There are certain exceptions specified in statute or federal law. Examples of short-term transient lodging:

Subject to State Lodging Tax	Exempt from State Lodging Tax
<ul style="list-style-type: none"> • Hotels and Motels • Bed and Breakfast • RV Sites • Resorts and Inns • Lodges and Guest Ranches • Cabins • Condominiums • Short-term Rental Apartments and Duplexes 	<ul style="list-style-type: none"> • Health Care Facilities • Hospitals • Long-term Care Facilities • Residential Care Facilities • Drug or Alcohol Abuse Treatment Facilities • Mental Health Treatment Facilities • Facilities rented fewer than 30 days in one calendar year

<ul style="list-style-type: none"> • Vacation Rental Homes • Tent Sites and Yurts • Any Other Dwelling Unit, or Portion of a Dwelling Unit, Used for Temporary Overnight Stays 	<ul style="list-style-type: none"> • Emergency temporary shelter funded by government agency • Nonprofit Youth or Church Camp • Nonprofit Conference Centers • Other Qualifying Nonprofit Facilities • Barracks, Quarters or Other Facilities of the Oregon Military Department
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Revenue Distribution

The tax revenues received are transferred monthly to the Oregon Tourism Commission, aka Travel Oregon, for the purposes set forth in ORS 284.131. As prescribed in statute, Travel Oregon distributes a portion of the revenues to seven regions established by Travel Oregon, proportionate to tax receipts attributable to each region, for purposes of funding tourism promotion of each region. The remaining revenues support state tourism programs and fund competitive grants to develop and improve economies of Oregon communities through tourism.



Local transient lodging tax administration

Beginning July 1, 2021, the Department of Revenue (DOR) implemented the local transient lodging tax administration program. Localities may enter into an agreement with the department to administer the local transient lodging tax.

To administer for these localities, the tax return was modified to collect address level detail. Currently the department administers local lodging taxes for 19 cities and four counties.

City and County lodging taxes administered by DOR:

Ashland	Eugene	Mitchell	Wheeler
Carlton	Florence	Mosier	Benton County
Cascade Locks	Gold Beach	Philomath	Coos County
Coos Bay	John Day	Rockaway Beach	Jefferson County
Corvallis	Lebanon	Springfield	Lane County
Cottage Grove	Madras	Union	

The department provides a quarterly report to each participating local government with their transient lodging activity for the quarter. The report includes total gross receipts, total amount exempt from tax, net receipts, local tax reported on the return, DOR administrative fee, and amount distributed to the local government. These quarterly reports contain only information received from the returns filed.

Legislative History

2003: The 2003 Oregon Legislature passed HB 2267 establishing the state lodging tax.

2005: HB 2197 expanded the definition of “transient lodging” to include houses, cabins, condominiums, apartment units or other dwelling units or portions of any of these dwelling units that are used for temporary human occupancy.

2013: HB 2656 expanded the list of who must collect and pay the tax. HB 2656 took effect on October 7, 2013, and requires transient lodging providers and transient lodging intermediaries to collect and remit taxes computed on the total retail price paid for occupancy of transient lodging.

2016: HB 4146 included two changes to the state lodging tax rate. Beginning July 1, 2016, the tax rate increased from 1 percent to 1.8 percent of the total price charged for lodging. On July 1, 2020, the rate dropped to 1.5 percent.

2017: SB 33 made the computation of interest on refunds consistent with other tax programs. HB 2400 authorized any state agency or department to enter into agreement with any political subdivision for collections, enforcement, administration, and distribution of local transient lodging taxes of such political subdivision.

HB 3180 authorized the Department of Revenue and units of local government to disclose to each other information related to administration of transient lodging tax laws.

2018: HB 4100 expanded definition of "transient lodging intermediary" to include person that collects consideration for occupancy of transient lodging, and person that receives fee or commission and requires transient lodging provider to use specified third-party entity to collect consideration for occupancy of transient lodging.

2019: HB 3137 clarified lodging tax is imposed on the consumer when the occupancy of the transient lodging ends.

HB 3136 required the Department of Revenue to collect lodging tax data at the city or county level when administering local transient lodging taxes.

HB 3138 provided that exemption from transient lodging taxation for dwelling unit rented fewer than 30 days per year does not apply to dwelling unit rented through a transient lodging intermediary.

2021: HB 2433 exempted barracks, quarters, or other facilities of the Oregon Military Department from lodging taxes when rented by active or retired members of the Armed Forces or employees or agents of the department.

HB 2521 required transient lodging tax collector to provide invoice, receipt or other similar document that clearly states the sum of all transient lodging taxes charged for occupancy of transient lodging.

Statutes

State lodging tax: [ORS 320.300 – 320.340](#)

State Lodging tax distribution: [ORS 284.131](#)

Local lodging taxes: [ORS 320.300 – 320.303, 320.345 – 320.365](#)

Administrative Rules

[150-320-0040](#) State Lodging Tax

[150-320-0041](#) Liability for Unpaid State Lodging Taxes

[150-320-0050](#) State Lodging Tax Exemptions

[150-320-0060](#) Lodging Tax Information Sharing with Local Governments

[150-320-0365](#) Administration of Local Lodging Taxes

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