

HB 2171 -1 STAFF MEASURE SUMMARY

House Committee On Economic Development, Small Business, and Trade

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Sub-Referral To: House Committee On Revenue

Meeting Dates: 3/5, 4/2

WHAT THE MEASURE DOES:

The measure exempts camping sites located on county fairgrounds with 50 or less sites with both direct electrical and individual sewer hookups from the state transient lodging tax.

ISSUES DISCUSSED:

- Impact to Recreational Vehicle (RV) facilities
- Amount of tax collected from county fairground camping sites
- Administration costs
- Frequency of reporting and collection
- Minimum threshold to report
- Total revenue impact

EFFECT OF AMENDMENT:

-1 The amendment replaces the measure. It allows transient lodging tax collectors to withhold the tax for certain camping sites.

Detailed Summary:

Allows transient lodging tax collectors to withhold the tax for certain camping sites, provided that the tax money is used directly for the operation or promotion of their camping sites. Eligible camping sites include those with 50 or less sites with both direct electrical hookups and individual sewer hookups that are located on county fairgrounds and have been certified by the Oregon Tourism Commission (the commission) as facilities that cater to tourists. Directs the commission to adopt rules by which camping sites may be certified to withhold the tax.

- *FISCAL: Minimal fiscal impact.*
- *REVENUE: Revenue impact issued.*

BACKGROUND:

Oregon Tourism Commission (the commission), also known as Travel Oregon, is a semi-independent state agency that works to increase demand for travel and optimize the economic impact of tourism to the state's economy. The state transient lodging tax, established by House Bill 2267 (2003) funds commission programs. It is currently set at 1.5%. Transient lodging providers and intermediaries must collect and remit the state transient lodging tax. The transient lodging tax collector is defined as whoever collects payment for occupancy of transient lodging. Certain locations are exempt from paying this tax, including health care facilities, emergency shelters, and military facilities.

House Bill 2171 exempts camping sites with 50 or less sites with electrical and sewer hookups located on county fairgrounds from the tax. The -1 amendment allows transient lodging tax collectors to withhold the tax for these types of camping sites and also requires that they have been certified as facilities that cater to tourists by the commission. It requires that the money withheld is used directly for the operation or promotion of the camping

sites.

PRELIMINARY