

FINAL BILL REPORT

2SHB 1531

PARTIAL VETO

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Synopsis as Enacted

Brief Description: Modifying the taxation of lodging.

Sponsors: By House Committee on Finance (originally sponsored by Representatives Morris and Cairnes).

House Committee on Finance
Senate Committee on Ways & Means

Background:

State and local sales taxes apply to lodging rentals by hotels, motels, rooming houses, private campgrounds, RV parks, and similar facilities. Hotel-motel taxes are special sales taxes on lodging rentals.

Lodging rentals are subject to sales and hotel-motel taxes when the period of occupancy is less than 30 days. When the period of occupancy is 30 days or more, the transaction is considered a rental or lease of real property and is exempt from tax.

Summary:

The furnishing of lodging and all other services for a continuous period of one month or more constitutes a rental or lease of real property, and is exempt from tax. Continuous occupancy of a specific lodging unit by the same person is no longer required.

A city located in more than one county may impose a hotel-motel tax at the maximum rate allowed on March 11, 1998.

Votes on Final Passage:

House 94 0
Senate 41 7 (Senate amended)
House 96 2 (House concurred)

Effective: March 27, 2002

Partial Veto Summary: The Governor vetoed the section that allowed a city located in more than one county to impose a hotel-motel tax at the maximum rate allowed on March

11, 1998.