

Finance

HB 1531

Brief Description: *Modifying the taxation of lodging.*

Sponsors: *Representatives Morris and Cairnes.*

Brief Summary of Bill

- *Exempts lodging furnished for continuous period of one month or more from sales taxes.*

Hearing Date: *2/7/01*

Staff: *Bob Longman (786-7139).*

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 of Bill:

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.

Appropriation: *None.*

Fiscal Note: *Requested on January 30, 2001.*

Effective Date: *Ninety days after adjournment of session in which bill is passed.*