

## Chapter 894

**(House Bill 186)**

AN ACT concerning

**Eastern Shore Code Counties – Maximum Hotel Rental Tax Rate – Alteration**

FOR the purpose of altering the maximum hotel rental tax rate that counties in the Eastern Shore class of code counties may impose; and generally relating to the hotel rental tax.

BY repealing and reenacting, with amendments,  
Article – Local Government  
Section 20–405  
Annotated Code of Maryland  
(2013 Volume and 2023 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That the Laws of Maryland read as follows:

**Article – Local Government**

20–405.

(a) Subject to this section, the hotel rental tax rate is the rate that the county sets by resolution.

(b) The hotel rental tax rate may not exceed:

(1) except as otherwise provided in this section, 3% in a code county;

(2) 3% in Cecil County;

(3) 4% in Talbot County;

(4) 5% in Calvert County, Carroll County, Charles County, Dorchester County, Frederick County, St. Mary's County, and Somerset County;

(5) 6% in Wicomico County; and

(6) 8% in Garrett County.

(c) With the unanimous consent of the county commissioners:

(1) a code county other than **AN EASTERN SHORE CODE COUNTY OR** a Western Maryland code county may set a hotel rental tax rate up to 5%; [and]

**(2) AN EASTERN SHORE CODE COUNTY MAY SET A HOTEL RENTAL TAX RATE UP TO 6%; AND**

~~[(2)]~~ **(3)** a Western Maryland code county may set a hotel rental tax rate up to 8%.

(d) The hotel rental tax rate in Washington County is 6%.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024.

**Approved by the Governor, May 16, 2024.**