

HOUSE BILL 285

Q8

9lr1544
CF 9lr2036

By: **Delegates Palakovich Carr, Barve, and Gilchrist**

Introduced and read first time: January 25, 2019

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Hotel Rental Tax – Limitation of Municipal Authority to Tax Small Hotels –**
3 **Repeal**

4 FOR the purpose of repealing a limitation on the authority of certain municipalities to
5 impose a hotel rental tax on hotels with fewer than a certain number of sleeping
6 rooms; and generally relating to the municipal hotel rental tax.

7 BY repealing and reenacting, with amendments,

8 Article – Local Government

9 Section 20–432

10 Annotated Code of Maryland

11 (2013 Volume and 2018 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

13 That the Laws of Maryland read as follows:

14 **Article – Local Government**

15 20–432.

16 (a) Except as provided in subsections (b) and (c) of this section, a municipality
17 may impose, by ordinance or resolution, a hotel rental tax.

18 (b) (1) In this subsection, “hotel rental tax revenue sharing arrangement”
19 includes:

20 (i) a requirement under §§ 20–415 through 20–422 of this subtitle
21 that a county distribute revenue from a county hotel rental tax to a municipality; or

22 (ii) any other hotel rental tax revenue sharing requirement,
23 agreement, or arrangement between a county and a municipality.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) A municipality in a county that has a hotel rental tax revenue sharing
2 arrangement between the municipality and the county may not impose a hotel rental tax
3 under this part.

4 (c) A municipality may not impose a hotel rental tax if[:

5 (1) the hotel has 10 or fewer sleeping rooms; or

6 (2)] the municipality is located in a county that:

7 [(i)] (1) distributes at least 50% of total county hotel rental tax
8 revenues to promote tourism in the county; or

9 [(ii)] (2) does not impose a tax on a transient charge paid to a hotel.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
11 1, 2019.