

HOWARD COUNTY MARYLAND  
 Department of Finance  
 P.O. Box 2748  
 Ellicott City, Maryland 21041-2748  
 410-313-4083

{ } ROOM RENTAL CHARGE TAX COLLECTION REPORT

{ }  
 HOTEL NAME & ADDRESS \_\_\_\_\_  
 MONTH/YEAR \_\_\_\_\_

**ROOM RENTAL COLLECTIONS**

1. Gross Receipts:
  - a) On-line 3<sup>rd</sup> Party Rental Receipts \$ \_\_\_\_\_
  - b) All Other Rental Receipts \$ \_\_\_\_\_
2. Total Gross Rental Collected (Add 1a + 1b) \$ \_\_\_\_\_
3. Exemptions:
  - a) Non-Visitor \$ \_\_\_\_\_
  - b) Federal, State, Howard County \$ \_\_\_\_\_
  - c) Emergency Housing(Certificate) \$ \_\_\_\_\_
4. Total Exemptions (Add 3a+3b+3c) \$ \_\_\_\_\_
5. Net Room Rental Collections (Line 2 minus Line 4) \$ \_\_\_\_\_

**ROOM RENTAL TAX**

6. Tax Collected (Line 5 x 5%) \$ \_\_\_\_\_
7. Tourism/Economic Development Tax Collected (Line 5 X 2%) \$ \_\_\_\_\_
8. Total Tax Collected (Line 6+ Line 7) \$ \_\_\_\_\_
  - a) Interest : Add 1% of line 8 For each month return is late \$ \_\_\_\_\_
  - b) Penalty: Add 10% of line 8 After one month from due date \$ \_\_\_\_\_
9. Total Interest and Penalty Due (add Line 8a +8b) \$ \_\_\_\_\_
10. Total to be remitted (add Line 8 + Line 9) \$ \_\_\_\_\_

**OCCUPANCY**

11. Number of Units Rented (Cumulative for month) \_\_\_\_\_
12. Number of Units Available for Rent During Month \_\_\_\_\_
13. Divide Line 11 by Line 12 for Occupancy \_\_\_\_\_

**REMITTANCE INSTRUCTIONS**

Make Check Payable to: Director of Finance, Howard County  
 Mail with Remittance to: Department of Finance  
 P.O. Box 2748  
 Ellicott City, MD 21041-2748

I declare under penalty that this return has been examined by me and to best of my knowledge is a true, correct and complete return.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_ Contact Number \_\_\_\_\_

**\*ALL SECTIONS MUST BE COMPLETED**

White- Return with remittance

Yellow – Retain for your file

**FOR OFFICE USE ONLY**

This document has been audited and reviewed by \_\_\_\_\_ Date \_\_\_\_\_

HOWARD COUNTY  
ROOM RENTAL CHARGE TAX  
HOWARD COUNTY CODE  
TITLE 20 SUBTITLE 4, ROOM RENTAL TAX

Any visitor who rents a hotel/motel room for no more than 30 consecutive days in Howard County must pay a county room rental charge tax equal to seven percent (7%) of the rental charge. For example, if the visitor's room rent were \$50.00, the county room rental tax would be \$3.50. If it were \$1,000.00, the tax would be \$70.00.

Each hotelkeeper shall collect the tax and remit those collections, along with a completed Room Rental Charge Tax Collection Report, not later than the last day of the month for all taxes collected during the prior month. For example, taxes collected during August are due to the Director of Finance of Howard County by September 30.

Each hotelkeeper shall maintain records sufficient to support the room rental charges, exemptions, amount of taxes collected, and occupancy statistics. Those records shall be retained by the hotelkeeper for a period of two years. The Director or designee has the right, during regular business hours, to inspect those records.

Failure to 1) provide required information, or 2) maintain records sufficient to support the amount of taxes reported, or 3) make them available for inspection, shall be enforced with civil penalties pursuant to Title 24 "Civil Penalties" of the Howard County code. A violation shall be Class B offense. Each day that the violation continues shall be separate offense. Class B offenses are subject to a \$250.00 to \$500.00 fine for each occurrence.

Within 5 calendar days after the closing or transfer of ownership of a hotel, the hotelkeeper shall pay the Director of Finance the room rental taxes collected up to the date of closing or transfer and submit a completed Room Rental Charge Tax Collection Report.

If a hotelkeeper fails to charge and collect the taxes required by this Subtitle, the hotelkeeper shall pay the Director of Finance the amount that should have been charged and collected.

EXEMPTIONS FROM ROOM RENTAL TAX

There are three exemptions to Room Rental Tax:

- (1) **Non-Visitor**-Any visitor who rents a hotel room for not more than 30 days must pay the charge. The eligibility for non-visitor status does not happen until day 31. Room Rental Tax should be collected and remitted to the County as collected prior to day 31. After day 31, a credit should be granted to the non-visitor for all taxes collected and any adjustment (decrease) in the Room Rental charges should be made in the month that includes the 31<sup>st</sup> day.
- (2) **Visitor to Facilities of an Organization Providing Emergency Housing**-The statute permits the exemption for visitors who obtain rooms from an entity with an "exemption certificate" issued by the Department of Finance.
- (3) **Federal & Maryland State, County & Municipal Agencies**-If the governmental agency pays directly for the room rental they are exempt. If employees of the government pay for the tax using personal funds the room rental is subject to the tax.

**Note: State sales tax exemption does not necessarily mean the visitor is exempt from paying the County's room rental tax.**

All exemptions should be listed on summary spreadsheet for each month. This spreadsheet should include the guest name, dates the guest stayed, type of exemption, the total tax exempt. Verification detail should be attached to the spreadsheet and the spreadsheet should be attached to the Room Rental Tax Collection Report for the month.

INTEREST/PENALTY-LATE PAYMENTS EXAMPLE

Payment for February taxes = \$10,000

Due to the County by March 31

Paid in March – Amount Due = \$10,000 (No interest or penalty due)

Paid in April – Amount Due = \$10,000 + (1% x \$10,000) (Paid in first month after due date so interest due)

Paid in May – Amount Due = \$10,000 + (1% x 2 x \$10,000) + (10% x \$10,000) = \$11,200 (Paid in second month after due date so \$200 interest and \$1,000 penalty due)