

SENATE BILL REPORT

SB 6828

As of February 8, 2010

Title: An act relating to the taxation of lodging.

Brief Description: Concerning the taxation of lodging.

Sponsors: Senator McAuliffe.

Brief History:

Committee Activity: Ways & Means: 2/08/10.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Dean Carlson (786-7305)

Background: A special hotel/motel tax may be levied by municipalities on charges for lodging at hotels, motels, rooming houses, private campgrounds, recreational vehicle parks, and similar facilities for continuous periods of less than one month. The rate of the tax is up to 2 percent, with certain exceptions for jurisdictions, which prior to 1997 were authorized to levy up to 3 percent. The tax is in addition to all other taxes, so it is an increased tax on the consumer of the lodging.

The combined rate of state and local retail sales tax (except the Regional Transportation Authority tax), the state convention center tax, and any special hotel/motel taxes may not exceed 12 percent in any municipality except the city of Seattle, where the maximum rate is 15.2 percent.

Use of the funds from special hotel/motel taxes are restricted to promotion of tourism or construction and operation of tourism-related facilities.

Summary of Bill: A city, which is located in more than one county, may impose a tax in each county at the maximum rate that is allowed in that county.

Appropriation: None.

Fiscal Note: Requested on February 6, 2010.

Committee/Commission/Task Force Created: No.

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