

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2015 Legislative Session

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| Reference No.: | CB-04-2015 |
| Draft No.: | 2 |
| Committee: | PUBLIC SAFETY AND FISCAL MANAGEMENT |
| Date: | 02-19-2015 |
| Action: | FAVORABLE AS AMENDED |

REPORT: Committee Vote: **Favorable with Amendments**, 4-0 (In favor: Council Members Patterson, Harrison, Lehman, and Turner)

An Act concerning the Hotel and Motel tax will clarify the taxable amount for calculation of the County's hotel and motel tax due from a room re-marketer. As proposed the Bill will simply close a loophole in the current law that has been exploited by out of state online travel companies who unlike hotels in Prince George's County are not remitting the full amount of hotel occupancy taxes collected from lodging consumers who book Prince George's County hotel and motel rooms through online travel companies.

The Office of Law has reviewed this legislation and finds it to be in proper legislative form with no legal impediments to its enactment.

The Office of Finance supports the bill and made several comments on the implementation of the Bill. Linda Allen, Chief of Treasury, provided testimony.

The Office of Audits and Investigations reported that the bill should have a positive fiscal impact in that it would require remittance of tax revenue that is currently not being collected or remitted.

The Maryland Hotel and Lodging Association supports the bill and David Reel, President and CEO of the association testified in support of the bill.

Comments were also received from Gaylord National Resort and Conference Center in support of the bill.

After considerable discussion and debate the committee voted out CB-04-2015 with amendments. The amendments were as follows: language was added on page 2 lines 3-5 a separate category for the amount of room rental charges collected and the tax required to be collected from room re-marketers. This added language addressed the concerns expressed by the Office of Audits and Investigations and the Office of Finance concerning the need to track the money collected from room re-marketers.