



Prince George's County Council

Agenda Item Summary

Meeting Date: 7/18/2017 **Effective Date:** 9/18/2017
Reference No.: CB-023-2017 **Chapter Number:** 39
Draft No.: 2 **Public Hearing Date:** 7/18/2017 @ 10:00 AM
Proposer(s): Glaros, Lehman, Turner, Harrison and Taveras
Sponsor(s): Glaros, Lehman, Turner, Harrison, Taveras, Davis and Patterson
Item Title: AN ACT CONCERNING HOTEL AND MOTEL TAX for the purpose of revising the County Code to clarify hotel and motel tax exemption and tax refunds for long term renters.

Drafter: Colette R. Gresham, Legislative Officer
Resource Personnel: Aimee Olivo, Chief of Staff, District 3

LEGISLATIVE HISTORY:

Date:	Acting Body:	Action:	Sent To:
03/21/2017	County Council	presented and referred	PSFM
	Action Text: This Council Bill was presented by Council Members Glaros, Lehman, Turner, Harrison and Taveras and referred to the Public Safety and Fiscal Management Committee		
06/08/2017	PSFM	Favorably recommended with amendments	County Council
	Action Text: A motion was made by Council Member Turner, seconded by Council Member Lehman, that this Council Bill be Favorably recommended with amendments to the County Council. The motion carried by the following vote: Aye: 5 Glaros, Taveras, Harrison, Lehman and Turner		
06/20/2017	County Council	introduced	
	Action Text: This Council Bill was introduced by Council Members Glaros, Lehman, Turner, Harrison, Taveras, Davis and Patterson		
07/18/2017	County Council	public hearing held	
	Action Text: The public hearing was held for this Council Bill.		
07/18/2017	County Council	enacted	

Action Text:

A motion was made by Vice Chair Glaros, seconded by Council Member Turner, that this Council Bill be enacted. The motion carried by the following vote:

Aye: 9 Davis, Glaros, Franklin, Harrison, Lehman, Patterson, Taveras, Toles and Turner

08/02/2017 County Executive signed

Action Text:

This Council Bill was signed

AFFECTED CODE SECTIONS:

10-219

BACKGROUND INFORMATION/FISCAL IMPACT:

The Office of Audits and Investigations ("A&I") conducted a compliance audit of the Office of Finance's Collection of Hotel and Motel Tax in accordance with the requirements of County Charter Section 313. The report was released in September 2016. One of the findings in the report stated that there is an inconsistent interpretation and application of the County Code by hotel/motel establishments with respect to the assessment and possible refund of hotel/motel tax to room renters once they have reached 90 consecutive days of room rental. During the audit, A&I identified some hotels/motels that were issuing refunds to individuals for taxes paid during their first 89 days of room rental once they reached the 90th consecutive day of room rental. However, the practice of refunding individuals for taxes paid during their first 89 days of room rental once they reached their 90th consecutive day of room rental was not being followed consistently. The proposed legislation provides clarification as to the refunding of taxes paid for the first 89 days of room rental after the 90th consecutive day of room rental.

Document(s): B2017023, CB-23-2017 AIS, CB-23-2017 Report