



BALTIMORE HOUSING

STEPHANIE RAWLINGS-BLAKE
Mayor

PAUL T. GRAZIANO
Executive Director, HABC
Commissioner, HCD

MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council
c/o Natawna Austin, Executive Secretary

From: Paul T. Graziano, Commissioner

Date: October 5, 2016

Re: **City Council Bill 16-0737 – Hotel Tax – Short Term Rentals and
Hosting Intermediaries**

The Department of Housing and Community Development (HCD) has reviewed City Council Bill 16-0737, for the purpose of clarifying what types of rented sleeping accommodations are subject to the City's hotel tax; extending the hotel tax to certain transactions facilitated by hosting intermediaries; defining certain terms; clarifying and conforming related provisions; and generally related to the hotel tax.

If enacted, this bill would level the playing field by requiring all establishments that provide sleeping accommodations in the City to pay the City's hotel Tax. The bill modifies the tax code to change the definition of a hotel from a building containing sleeping accommodations for "more than 5 persons and open to the transient public" to "1 or more transient guests or tenants". This would allow a hotel tax to be collected for short term rental properties. The bill also identifies hosting intermediaries who are hired by the owner or operator of the hotel to facilitate the sale or use of sleeping accommodations to be subject to the City's 9.5% hotel tax.

The bill does not address the requirements for registering, inspections and/or regulating hosting intermediaries.

The Department of Housing and Community Development has no objection to the passage of City Council Bill 16-0737.

PTG:sd

no obj

cc: Ms. Angela Gibson, *Mayor's Office of Government Relations*
Mr. Colin Tarbert, *Deputy Mayor*

