

At the HB 4146 Transient Lodging Tax work group meeting on August 31, 2016, we were asked to research two questions related to sharing information with local governments.

- 1) Is a legislative change necessary to require lodging tax collectors report lodging tax information by zip code or street address detail?
  - DOR has broad authority to prescribe the form of the tax return in addition to authority to adopt administrative rules requiring transient lodging tax collectors provide certain information regarding imposition of the state transient lodging tax. Although it could be argued that the detail of lodging tax collections by zip code or street address is not necessary for the calculation of the state transient lodging tax by region, the information could be useful, and therefore reasonable for DOR to require, in performance of audits. A statutory change to require detailed reporting of lodging tax receipts by zip code or street address would provide certainty of DOR's authority and reduce risk of litigation.
  
- 2) What is the cost for DOR to collect zip code or street address information from all lodging tax collectors?
  - To collect a list of zip codes or street addresses offering lodging accommodations in Oregon would cost approximately \$20,000 to develop an Import Spreadsheet to accommodate large amounts of data from lodging tax collectors.
  - To collect lodging sales by individual zip code or street address would cost approximately \$30,000 to develop an Import Spreadsheet to accommodate large amounts of data, including sales by zip code or street address, from lodging tax collectors.

As previously stated, a statutory change is necessary to authorize DOR to share information collected in the administration of the state lodging tax, with local jurisdictions imposing a local lodging tax.

In addition to 1) and 2) above, DOR's tax accounting and return filing system could accommodate requests for additional information that would aid Travel Oregon in evaluating the health of the lodging sector by region and county and, potentially, assist in measuring the effectiveness of the regional tourism programs. Occupancy rate information (number of rooms/units available and number of rooms/units occupied) by zip code or street address could be requested from lodging tax collectors with quarterly tax return reporting. A statutory change is necessary in order for DOR to require occupancy rate information from lodging tax collectors, because it is not necessary for administration of the state lodging tax program, and DOR needs statutory authority to share this information with Travel Oregon at the county and regional level. There are no additional costs anticipated to include occupancy rate information if implemented as part of 2) above.

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