

Secretary of State
STATEMENT OF NEED AND FISCAL IMPACT
A Notice of Proposed Rulemaking Hearing accompanies this form.

FILED
10-13-16 11:07 AM
ARCHIVES DIVISION
SECRETARY OF STATE

Department of Revenue
Agency and Division

150
Administrative Rules Chapter Number

State Lodging Tax: Fees subject to the tax and registration of providers.

Rule Caption (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

In the Matter of:

AMEND: 150-320-0040

Statutory Authority:

ORS 305.100

Other Authority:

Statutes Implemented:

ORS 320.305

Need for the Rule(s):

150-320-0040:

- Removes reference to "allocations made for local lodging taxes" and clarifies that exemptions are limited to those listed in the state lodging tax statutes and rules, regardless of the local lodging tax exemptions available in any particular city or county.
- Provides guidance as to what fees are subject to the state lodging tax.
- Removes the requirement for transient lodging providers to register with the department.

Documents Relied Upon, and where they are available:

Oregon Revised Statutes, available online at <https://www.oregonlegislature.gov/> or from the agency; and

Oregon Administrative Rules, available online at http://sos.oregon.gov/archives/Pages/oregon_administrative_rules.aspx or from the agency

Fiscal and Economic Impact:

There is no fiscal or economic impact due to these rule changes.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):

There is no impact to state agencies or the counties, and de minimis impact on the public. The rule changes are intended to be clarifying or interpretive in nature and do not affect the cost to comply.

2. Cost of compliance effect on small business (ORS 183.336):

a. Estimate the number of small business and types of businesses and industries with small businesses subject to the rule:

The Oregon state travel and tourism industry employs approximately 101,100 employees. Roughly 3,000 entities are registered as lodging providers. Approximately 1,300 of those providers are individual vacation home owners. Small businesses make up roughly 98% of Oregon firms. Based on this information, we estimate that there are approximately 1,665 (1,700 * 98%) businesses with fewer than 50 employees who are subject to these rules.

b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services:

There is a de minimis impact on those small businesses subject to the rules as these changes are intended to be clarifying or interpretive in nature and do not affect projected reporting, record-keeping or other administrative activities or costs.

c. Equipment, supplies, labor and increased administration required for compliance:

None known.

How were small businesses involved in the development of this rule?

We communicated and worked with small business liaison groups such as the Oregon State Bar Tax Section, the Oregon Restaurant and Lodging Association, and Travel Oregon to obtain their input into how this rule will impact their clients; some of whom are small businesses.

Administrative Rule Advisory Committee consulted?: No

If not, why?:

The Oregon Department of Revenue did not use a formal Advisory Committee for these rules. However, we did seek input from groups of industry representatives. No Advisory Committee was consulted because the above groups were contacted, and they have the interest and expertise necessary to provide adequate feedback on these proposed rules. Therefore a committee is unlikely to provide further benefit.

11-22-2016 5:00 p.m.	Lois Williams	lois.j.williams@oregon.gov
Last Day (m/d/yyyy) and Time for public comment	Printed Name	Email Address