



Oregon

John A. Kitzhaber, MD, Governor

Department of Revenue

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www.oregon.gov/dor

September 27, 2013

Attn: Lodging providers who do business with online travel companies

Re: Oregon House Bill 2656—Lodging tax change

The 2013 Oregon Legislature enacted House Bill 2656, which was signed into law on July 2, 2013. The bill amends Oregon law to require transient lodging intermediaries, or “online travel companies” (OTCs), to collect and pay the one-percent state lodging tax on their retail transactions. Beginning October 7, 2013, OTCs are required to report and pay Oregon state lodging tax on the full retail price charged to customers.

What do I need to do?

If your lodging facility sells accommodations to OTCs, continue to report the income received from these transactions in your “Total **gross receipts** for lodging sales.” However, you will now be able to **subtract** this income on a new line to be added to Section 2 of your *Oregon Lodging Tax Quarterly Return*.

Watch for the updated lodging tax quarterly return form on our website this December.

When does the change take effect?

The change becomes effective **October 7, 2013**, affecting the 4th quarter return for 2013 (for revenue collected October 7–December 31, 2013), which is due January 31, 2014. Future returns will continue to reflect this change.

If you have questions, or need additional information, please contact us.

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