



Oregon

John A. Kitzhaber, MD, Governor

Department of Revenue

955 Center St NE

Salem, OR 97301-2555

www.oregon.gov/dor

September 27, 2013

Attn: Online travel companies

Re: Oregon House Bill 2656—Lodging tax change

The 2013 Oregon Legislature enacted Oregon 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 remit the one-percent state lodging tax on the full retail price charged to customers. Previously, tax was collected only on the wholesale portion of lodging sales by lodging providers.

What do I need to do?

If your company facilitates retail sales of transient lodging in Oregon and collects payment for these sales, you are now required to report and pay Oregon state lodging tax on the full retail price charged to customers.

This tax must be paid to the Oregon Department of Revenue on a quarterly basis along with a quarterly lodging tax return. First, you must register with the Department of Revenue to obtain a Business Identification Number (BIN). This BIN is a unique tax identifier that helps ensure each payment is properly credited to your account.

Revenue from the state lodging tax is used to fund tourism in each of 10 specific regions of Oregon. Funds are allocated based on the region in which tax was collected; therefore, **you must obtain a BIN for each region in which you conduct business.** (See enclosed map.)

Please complete the enclosed *Oregon Lodging Tax Registration* and return it by **October 15, 2013**. We will assign the appropriate number of BINs. You will then receive confirmation of your registration and BIN(s) via US mail along with instructions on how to file your quarterly returns.

When does the change take effect?

You are required to collect Oregon state lodging tax beginning **October 7, 2013**. The first quarterly return and payment (for revenue collected October 7–December 31, 2013) will be due January 31, 2014.

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

Oregon Lodging Tax Program Administration:

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