

WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Introduced

House Bill 3045

FISCAL
NOTE

BY DELEGATES COWLES, MAYNARD, BARRETT, SKAFF,

BOGGS, WILLIAMS AND PORTERFIELD

[Introduced February 12, 2019; Referred
to the Committee on Finance.]

1 A BILL to amend and reenact §7-18-2 of the Code of West Virginia, 1931, as amended, relating
2 to exempting certain complimentary hotel rooms from hotel occupancy tax.

Be it enacted by the Legislature of West Virginia:

ARTICLE 18. HOTEL OCCUPANCY TAX.

§7-18-2. Rate of tax.

1 (a) The rate of tax imposed shall be three percent of the consideration paid for the use or
2 occupancy of a hotel room.

3 (b) On and after July 1, 2005, a municipality may by ordinance increase the rate of tax
4 imposed in this section to not more than six percent of the consideration paid for the use or
5 occupancy of a hotel room: *Provided*, That notwithstanding any other provision of this article to
6 the contrary, a municipality may not impose any tax authorized by this article on a hotel located
7 within its corporate limits upon which a county was imposing a tax authorized by this article on or
8 after January 1, 2005, and continuously thereafter to and including the effective date of
9 annexation of the territory in which the hotel is located pursuant to article six, chapter eight of this
10 code and, as to that hotel, the county is authorized to continue to impose and collect the tax
11 authorized by this article at the rate of three percent of the consideration paid for the use or
12 occupancy of a hotel room: *Provided, however*, That after June 30, 2007, the county is authorized
13 to continue to impose and collect the tax authorized by this article at the rate of not more than six
14 percent of the consideration paid for the use or occupancy of a hotel room: *Provided further*, That
15 prior to any increase in the rate of tax, the county shall comply with the requirements of subsection
16 (c) of this section: *And provided further*, That in the event the county commission duly enters an
17 order of record that ceases to impose the tax authorized by this article on that hotel, then, as to
18 that hotel, the municipality in which the hotel is located by reason of the annexation may impose
19 the tax authorized by this article. Prior to the second reading of an ordinance proposed by a
20 municipality to increase the rate of tax, the municipality shall conduct a properly noticed public
21 hearing on the issue.

22 (c) On and after July 1, 2007, a county may by ordinance increase the rate of tax imposed
23 in this section to not more than six percent of the consideration paid for the use or occupancy of
24 a hotel room. At least 10 days prior to the final vote of a county commission on an ordinance
25 proposed by a county commission to increase the rate of tax, the county commission shall conduct
26 a properly noticed public hearing on the issue.

27 (d) The consideration paid for the use or occupancy of a hotel room ~~shall~~ may not include
28 the amount of tax imposed on the transaction under §11-15-1 *et seq.* of this code or charges for
29 meals, valet service, room service, telephone service or other charges or consideration not paid
30 for use or occupancy of a hotel room.

31 (e) The tax may not be imposed on complimentary hotel rooms provided without charge
32 by a hotel operator to guests.

NOTE: The purpose of this bill is to exempt complimentary hotel rooms provided by a hotel operator to guests without charge from the hotel occupancy tax.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.