



A V E N U
INSIGHTS & ANALYTICS

Information for Lodging Providers

Hotel Training Packet

TEXAS HOTEL OCCUPANCY TAX EXEMPTION CERTIFICATE



NOTE: This certificate is for business only, not to be used for private purposes, under penalty of law. The hotel operator may request a government ID, business card or other identification to verify exemption claimed. Certificate should be furnished to the hotel or motel. DO NOT send the completed certificate to the Comptroller of Public Accounts. The certificate does not require a number to be valid. Refer to Hotel Rule 3.161 for exemptions.

Check exemption claimed:

- United States government or Texas government official exempt from state, city, and county taxes.** Includes US government agencies and its employees traveling on official business, Texas state officials or employees who present a Hotel Tax Exemption Photo Identification Card, and diplomatic personnel of a foreign government who present a Tax Exemption Card issued by the US Department of State.
- Religious, charitable, or educational organization or employee exempt from state tax only.** Educational organizations include school districts, private or public elementary and secondary schools, and Texas institutions of higher education as defined in Section 61.003, Texas Education Code. Beginning October 1, 2003, non-Texas institutions of higher education (public and private universities, junior colleges, community colleges) must pay the state hotel occupancy tax. Religious and charitable organizations must hold a letter of exemption issued by the Comptroller of Public Accounts to claim the exemption.
- Other. Organization exempt by law other than Chapter 156, Tax Code.** Specify reason for exempt status below. **Supporting Documentation Required.**

Name of exempt organization	Organization exempt status (<i>Religious, charitable, educational, governmental</i>)
Address of exempt organization (<i>Street and number, city, state, ZIP code</i>)	

GUEST CERTIFICATION: I declare that I am an occupant of this hotel/motel on official business sanctioned by the exempt organization named above and that all information shown on this document is true and correct.

Guest name (*Please print*)

	Date
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FOR HOTEL/MOTEL USE ONLY (OPTIONAL)

Name of hotel/motel				
Address of hotel/motel (<i>Street and number, city, state, ZIP code</i>)				
Room rate	Local tax	Exempt state tax	Amount paid by guest	Method of payment

You have certain rights under Chapters 552 and 559, Government Code, to review, request and correct information we have on file about you. To review or correct your state tax-related information, contact the Texas State Comptroller's office.

Hotels may require verification before accepting a hotel occupancy tax exemption certificate. An organization may qualify for hotel occupancy tax exemption even when it does not have a Comptroller's letter of hotel tax exemption or cannot be found on the Comptroller's list of exempt organizations. Some examples include churches, public schools and community colleges.

You may need to pay the tax until verification of hotel tax exemption can be obtained from the Comptroller's office. You can apply to the hotel for a refund or credit.

A list of charitable, educational, religious and other organizations that are exempt from state and/or local hotel tax is online at http://window.state.tx.us/taxinfo/exempt/exempt_search.html. Other information about Texas tax exemptions, including applications, is online at <http://window.state.tx.us/taxinfo/exempt/index.html>.

You can also send an e-mail to exempt.orgs@cpa.state.tx.us or call (800) 252-1385.

INTENT TO RENT ACCOMMODATIONS

<PROPERTY NAME>
<PROPERTY ADDRESS>

CHECK IN

Pursuant to law, this letter serves to notify you that I will be staying at your property for at least 30 consecutive days. My check-in date is _____ and I will be checking out on or after _____.

Print Name

Signature

Date

After staying 30 consecutive days, a refund check will be issued to you for the occupancy tax charged.

CHECK OUT

Under penalties of perjury, I declare that facts stated on this form are correct and true and that I have been a guest in your hotel from _____ to _____.

Print Name

Signature

Date

Under penalties of perjury, I declare that I have verified the facts stated on this form(s) and to the best of my knowledge and belief all the facts are correct and true.

Property Manager

(Property Use Only)	
Refund Check Ordered	
Yes _____	No _____
Date Issued: _____/_____/_____	

REQUEST FOR ISSUANCE OF TAX CLEARANCE CERTIFICATE

Request Receipt Date:

Internal Tracking Number:

{Requestor must complete}

1. Property Name

2. Property Owner(s) Name(s)

3. Property Address (No. and Street, City, ZIP)

4. Prospective Purchaser(s) Name(s)

5. Address of Purchaser(s) (No. and Street, City, ZIP)

6. Purchaser(s) Area Code and Phone No.

7. Are You Continuing Business Activity After Clearance? Yes No

8. I declare under penalty of perjury that I am the owner of the property on which this tax clearance is requested, and that the information provided above is true.	Signature	Date
	Print Name	

Local Government Section}

Request for Clearance Certificate has been denied due to:

Current owner(s) records are insufficient for audit

The subject property has an amount due and owing for Hotel Occupancy Tax of \$

Records from _____ to _____ must be made available for an audit

Request for Clearance Certificate has been approved:

Records show the subject property to have no current Hotel Occupancy Tax liability due and owing

Certificate has been granted for tax due and payable through

Local Government Authorized Signature

Date

Original Copy – Remit to Local Government Copy - Requestor

TEXAS HOTEL OCCUPANCY TAX INFORMATION FOR LODGING PROVIDERS

This information is intended as a *guideline* for determining rent exempt from the local Hotel Occupancy Tax only. The meaning of the word "employee" can be inclusive of "officer" and "member."

Term Exemption:

For stays of more than thirty (30) continuous days; -- that is, after thirty (30) consecutive days' stay. The tax must be collected for days one (1) through thirty (30), unless there is an indication in writing to rent the accommodations for longer than thirty continuous (30) days given by the lodger.

Personal Status Exemptions:

Federal employees presenting documentation. The American Red Cross, federal credit unions and the regional home loan banks are considered instrumentalities of the federal government.

Foreign diplomats presenting identification issued by the United States Department of State.

State of Texas employees presenting the Photo ID Hotel Tax Exemption Card or other documentation indicating that the bearer is Exempt from paying the Hotel Occupancy Tax.

Employees of Texas Housing Authorities and Housing Finance Corporations presenting a Hotel Occupancy Tax Exemption Certificate.

Employees of Texas Health Facilities Development Corporations presenting a Hotel Occupancy Tax Exemption Certificate.

Employees of Texas Public Facilities Corporations presenting a Hotel Occupancy Tax Exemption Certificate.

Employees of Texas Electric Cooperatives and Telephone Cooperatives presenting a Hotel Occupancy Tax Exemption Certificate.

Note: For guest rooms contracted and paid for directly by any of the above named entities, the rent would be exempt from taxation.

TEXAS HOTEL OCCUPANCY TAX INFORMATION FOR LODGING PROVIDERS

All of the exemptions presented on the foregoing page are also applicable to the State Hotel Occupancy Tax. In addition, these Personal Status Exemptions apply to the State Hotel Occupancy Tax (but not to the local Tax):

Employees of Texas public and private Universities, Colleges and Junior Colleges presenting a Hotel Occupancy Tax Exemption Certificate.

Employees of Texas Regional Education Service Centers presenting a Hotel Occupancy Tax Exemption Certificate.

Employees of Elementary and Secondary Educational Organizations in Texas, other states and foreign countries presenting a Hotel Occupancy Tax Exemption Certificate.

Employees of Charitable Organizations presenting State Comptroller's letter of exemption.

Employees of Religious Organizations presenting State Comptroller's letter of exemption.

Note: The exempt status of any organization can be instantly checked at the State Comptroller's website, <http://www.window.state.tx.us/taxinfo/hotel/>, or by telephoning the Comptroller's office toll free at 1-800-252-1385.

May 2008



HOTEL OCCUPANCY TAX

1. Who is required to collect hotel occupancy taxes?

The owner, operator or manager of a hotel must collect hotel occupancy taxes from their guests. A hotel is any building which members of the public obtain sleeping accommodations for \$2 or more per day. Examples include hotels, motels, bed and breakfasts, condominiums, apartments, and houses rented for less than 30 consecutive days.

2. What is the hotel occupancy tax rate?

The state hotel occupancy tax rate is 6%.

Municipalities and certain counties may also impose local hotel taxes, with most cities and some counties, are authorized to collect up to 7% in hotel taxes. (Situations may vary)

3. Are there organizations or individuals that are exempt from the state tax?

Yes, the chart below lists various types of employees and specifies whether or not they are exempt from the state and the local hotel occupancy taxes.

TYPE OF BUSINESS REQUESTING EXEMPTION	EXEMPT FROM STATE H.O.T.	EXEMPT FROM LOCAL H.O.T.	COMMENTS
Agricultural Development Corporations	Yes	Yes	Guest must present Comptroller letter of exemption or verification from the Comptroller Website. Guest must fill out tax exemption certificate.
Charitable Organizations	Yes	No	Guest must present Comptroller letter of exemption or verification from the Comptroller Website. Guest must fill out tax exemption certificate.
City & County Employees	No	No	



Educational Organizations (Independent school districts, private or public elementary and secondary schools of Texas. Private or public colleges and universities, junior colleges, technical institutes, and medical or dental schools of Texas)	Yes	No	*Effective October 1, 2003, the Legislature amended state law to limit the state hotel occupancy tax exemption for higher education entities to only Texas institutions of higher education. Guest must fill out tax exemption certificate.
Electric & Telephone Cooperatives	Yes	Yes	Guest must present Comptroller letter of exemption or verification from the Comptroller Website. Guest must fill out tax exemption certificate.
Federal Employees	Yes	Yes	Guest must fill out tax exemption certificate.
Foreign Diplomats	Yes	Yes	Guest must present tax exempt card issued by U.S. Department of State. Guest must fill out tax exemption certificate.
Health Facilities Development Corporations	Yes	Yes	Guest must present Comptroller letter of exemption or verification from the Comptroller Website. Guest must fill out tax exemption certificate.
Olympic Games Organizing Committees	Yes	Yes	Guest must present Comptroller letter of exemption or verification from the Comptroller Website. Guest must fill out tax exemption certificate.
Permanent Residents (30 days or more)	Yes	Yes	Guest must notify of their intent to stay 30 or more consecutive days from the beginning IN WRITING. If stay is interrupted, hotel occupancy taxes must be paid. Guests that do not notify the hotel are only exempt from hotel occupancy taxes on the 31st day of their stay.
Public Facility Corporation	Yes	Yes	Guest must present Comptroller letter of exemption or verification from the Comptroller Website. Guest must fill out tax exemption certificate.
Regional Education Centers	Yes	Yes	Guest must fill out tax exemption certificate.



Religious Organizations	Yes	No	Guest must present Comptroller letter of exemption or verification from the Comptroller Website. Guest must fill out tax exemption certificate.
State Employees with Photo ID Hotel Tax Exemption Card	Yes	Yes	These are head of state agencies; members of state boards and commissions; state legislators and their staff; and state judges. Guest must present state photo ID card that <u>specifically notes that employee is exempt from hotel occupancy tax</u> . Guest must fill out tax exemption certificate.
State Employees without Photo ID Hotel Tax Exemption Card	No	No	Guest must pay the tax, and the state or local government will then reimburse the state employer through separate process.

4. How do you claim an exemption?

The Comptroller’s office requires the exempt organization or employee to furnish the hotel with a completed Hotel Occupancy Tax Exemption Certificate (form 12-302) at the time of registration.

5. Are third party contractors working for the federal government exempt?

No, third party contractors completing contracts for the government or using federal grant money are not exempt and must pay any state or local hotel taxes imposed.

6. Who is responsible for administering hotel taxes?

The Comptroller’s office is responsible for the collection and administration of the 6% state hotel occupancy tax.

Cities and counties are responsible for the collection and administration of local occupancy taxes.

7. I purchased an existing business. Can I use their taxpayer number?

No, taxpayer numbers are non-assignable.

8. When is my hotel tax return (form 12-100) due?

Hotels that owe less than \$500 in state tax for each calendar month or \$1,500 for a calendar quarter report and remit tax on the 20th day of the month following each calendar quarter. All other hotels file state hotel returns by the 20th day of the month following each calendar month.