



City of Richmond, Texas

HOTEL OCCUPANCY TAX FREQUENTLY ASKED QUESTIONS

Who is required to report and remit the Hotel Occupancy Tax?

The tax must be reported and remitted by any individual or entity owning, operating, managing, or controlling a hotel within the corporate limits and extraterritorial jurisdiction of the City of Richmond, Texas. The term “hotel” means any building or buildings in which the public may, for a consideration, obtain sleeping accommodations. The term “hotel” includes hotels, motels, tourist homes, tourist houses, tourist courts, lodging houses, inns, bed and breakfasts, rooming houses, or other buildings where rooms are provided for consideration of two dollars or more per day.

The term “Hotel” does not include hospitals, sanitariums, or nursing homes. Nor shall the term “hotel” include dormitories or other housing facilities owned or leased and operated by an institution of higher education or a private or independent institution of higher education as those terms are defined by V.T.C.A., Education Code §61.003, used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution or an oilfield portable unit, as defined by V.T.C.A., Tax Code §152.001.

When are reports and payments due?

Quarterly reports and payments are due on the last day of the month following each quarterly period. If the last day falls on a weekend or holiday, taxes are due on the following business day.

	<u>Due:</u>
1 st Quarter (January 1 through March 31)	April 30 th
2 nd Quarter (April 1 through June 30)	July 31 st
3 rd Quarter (July 1 through September 30)	October 31 st
4 th Quarter (October 1 through December 31)	January 31 st

A report **MUST** be filed even if no tax is due for the reporting period.

What happens if a report or payment is not submitted on time?

Failure to file required quarterly reports and/or pay amount of hotel occupancy tax due on the date when payment required is punishable as a Class C misdemeanor and shall constitute a separate and distinct violation for each day such report is not filed or tax remains unpaid and may be punished by a fine up to the maximum amount permitted by law.

Additionally, failure to file a report and/or pay the required hotel occupancy tax when due, shall deem the responsible party to be indebted to the city for trust funds collected but unpaid. All water and sewer service to the hotel that is being operated, out of which the tax obligation was incurred and for which the tax is due and payable shall be terminated under the procedures provided for service suspension in the event of non-payment of service billings, and shall not be restored until all reports have been filed and taxes fully paid.

FREQUENTLY ASKED QUESTIONS (cont'd)

In the event of repeated delinquencies or violations of the City's Hotel Occupancy Tax Ordinance for either non-payment or failure to file required reports, the director of finance is authorized to require the posting of a bond in an amount not to exceed two times the amount of quarterly hotel occupancy tax that has become due and payable to the city as determined by an average of the amount due and payable for each quarter for the last two previous years.

What forms of payment are accepted?

Checks, money orders or cashier's checks are accepted through the mail to the following address:

City of Richmond
Director of Finance/HOT Report
402 Morton Street
Richmond, Texas 77469

We also accept cash and credit card payments (Visa or MasterCard) at the location listed above.

Who do I contact with questions?

Call the Finance Department: (281) 342-5456 or email: slang@richmondtx.gov.

What are the record keeping requirements?

Written or electronic records which show the price paid for all room occupancies by quarter, the amount of hotel occupancy tax collected on such occupancies, and any other information deemed appropriate in order for the director of finance or director's designee to determine the correctness of any report filed as required by the City's Hotel Occupancy Tax ordinance. Records shall be kept for a period of 4 years.

Who is exempt from paying the city (local) hotel occupancy tax?

1. **Federal Employees:** Federal employees traveling on official business;
2. **Diplomats:** Foreign diplomats with a tax exempt card issued by the U.S. Department of State;
3. **High Ranking State Officials:** A very limited number of state officials with a hotel tax exemption card (e.g. heads of state agencies, state legislators and legislative staff, members of state boards and commissions, and state judges); and
4. **Permanent Resident/Over 30 Day Stay:** Persons or businesses who have agreed in advance to use a hotel room for more than 30 consecutive days (i.e. the permanent resident" hotel tax exemption).

Hotel guests claiming items one through three of the above exemptions are required to show appropriate identification and to fill out a "Hotel Occupancy Tax Exemption Certificate" promulgated by the Texas Comptroller. The tax exemption certificate form is available on the Texas Comptroller's website at <http://www.window.state.tx.us/taxinfo/taxforms/12-forms.html>.