



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE

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August 14, 2018

OREGON SHEARWATER
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City of Portland
Transient Lodging Tax Program

Dear Operator,

The City of Portland has introduced two changes that impact Short-Term rental hosts. City Council has passed ordinance #189031, effective **August 1, 2018**. The key change that affects short-term rental hosts is that each Booking Agent/Transient Lodging Intermediary shall collect and remit to the City a fee of \$4 per night for each Short-Term booking *not already remitted directly by the platform*. This fee is due each night on any occupancy (e.g. two separate rooms booked by one guest would be assessed \$4; two separate rooms booked by two separate guests would be assessed \$4 each) between one and 30 nights at a Short-Term Rental Accommodation. This fee may be passed on to the Guest if the receipt provided to the guest separately states this nightly fee, identifying the fee as "Portland Housing and Homelessness Fee".

The City of Portland also amended **Portland City Code Section 6.05.010** via ordinance #189028 passed June 2018 to include All Hotels (defined in Section 6.05.020) and Short-Term Rental hosts who use Booking Agents to advertise or accept *new reservations* on or after **August 1, 2018**.

The Tourism Improvement District (TID) is hereby changed to include all Hotels as defined in Section 6.05.020 and **all Short-Term Rental Hosts** who use Booking Agents to advertise or accept reservations. TID Revenues generated through directly remitting platforms (Airbnb, HomeAway, etc.) will be reported separately by those platforms.

The TID was established in 2012 to increase investment in marketing and promoting Portland as a premier travel destination. As noted in Section 6.05.060, the 2% TID fee rate is applied in addition to the 11.5% Transient Lodging Tax rate calculated on gross rents minus deductions. As required per ORS 320.305(1b Section A) the tax must be computed on the total retail price, including all charges other than taxes, paid by a person for occupancy of the Transient Lodging.

The Short-Term rental operator may pass this charge to the guest if separately stated on the guest bill as "2% Portland Tourism Assessment". If you are a Short-Term rental host that files a **Quarterly** transient lodging report with the Revenue Division, this change has created the need to report July 2018 revenue separately to avoid overpayment. To avoid including **July 2018** gross rents (which is not subject to the change referenced above), please file a Monthly report for the month of July, and the months of August/September will be reported as a Third Quarter report due as usual by no later than October 31, 2018. As this is a special circumstance, the July 2018 report will be considered timely if filed by October 31, 2018 (along with the Quarterly report for August and September) with no penalty and interest due. The Monthly reporting form is referenced in a link below.

<https://www.portlandoregon.gov/revenue/article/498545>

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Sincerely,
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