

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-401 (2014)

§ 20-401. Definitions

(a) In general. -- In this part the following words have the meanings indicated.

\*\* REVISOR'S NOTE

This subsection formerly was Art. 24, § 9-301(a).

\*\* REVISOR'S NOTE

The only change is in style.

(b) Hotel. --

(1) "Hotel" means an establishment that offers sleeping accommodations for compensation.

(2) "Hotel" includes:

- (i) an apartment;
- (ii) a cottage;
- (iii) a hostelry;
- (iv) an inn;
- (v) a motel;
- (vi) a rooming house; or
- (vii) a tourist home.

\*\* REVISOR'S NOTE

This subsection formerly was Art. 24, § 9-301(d).

\*\* REVISOR'S NOTE

No changes are made.

(c) Hotel rental tax. -- "Hotel rental tax" means the tax on a transient charge.

\*\* REVISOR'S NOTE

This subsection is new language derived without substantive change from former Art. 24, § 9-301(e).

\*\* REVISOR'S NOTE

The reference to a tax "on a transient charge" is substituted for the former reference to a tax "authorized under this subtitle" for clarity.

\*\* DEFINED TERMS:

"Hotel" § 20-401

\*\* DEFINED TERMS:

"Transient charge" § 20-401

\*\*

(d) Transient charge. -- \*\*

(1) (i) Except as provided in subparagraphs (ii) and (iii) of this paragraph, "transient charge" means a hotel charge for sleeping accommodations for a period not exceeding 4 consecutive months. \*\*

(ii) In Carroll County, "transient charge" means a hotel charge for sleeping accommodations for a period not exceeding 25 days. \*\*

(iii) In Frederick County, Garrett County, and Washington County, "transient charge" means a hotel charge for sleeping accommodations for a period not exceeding 30 days. \*\*

(2) "Transient charge" does not include any hotel charge for: \*\*

(i) services; or \*\*

(ii) accommodations other than sleeping accommodations.

REVISOR'S NOTE

This subsection is new language derived without substantive change from former Art. 24, § 9-301(f).

DEFINED TERM:

"Hotel" § 20-401

\*\*

(e) Western Maryland code county. -- "Western Maryland code county" means a code county in the Western Maryland class as established under § 9-302 of this article.

REVISOR'S NOTE

This subsection is new language added for clarity and to avoid repetition of the phrase "code county in the Western Maryland class".

"Code county"

§ 1-101

**HISTORY:** An. Code 1957, art. 24, § 9-301(a), (d)-(f); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-402 (2014)

§ 20-402. Scope of part

This part applies only to:

- (1) a code county;
- (2) Calvert County;
- (3) Carroll County;
- (4) Cecil County;
- (5) Dorchester County;
- (6) Frederick County;
- (7) Garrett County;
- (8) St. Mary's County;
- (9) Somerset County;
- (10) Talbot County;
- (11) Washington County; and
- (12) Wicomico County.

**HISTORY:** An. Code 1957, art. 24, § 9-301(b); 2013, ch. 119, § 2.



LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-403 (2014)

§ 20-403. Imposition of tax

(a) Authorization. -- Except as provided in § 20-404 of this subtitle, a county may impose, by resolution, a hotel rental tax.

(b) Hearing requirement. --

(1) This subsection applies only to Calvert County, Charles County, and St. Mary's County.

(2) The governing body of a county shall hold a public hearing before imposing a hotel rental tax.

(3) The hearing:

(i) shall be advertised twice in a newspaper of general circulation in the county at least 10 days before the hearing; and

(ii) may not be part of the annual budget hearing.

**HISTORY:** An. Code 1957, art. 24, §§ 9-302, 9-303(a), (b); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-404 (2014)

§ 20-404. Limitations and exemptions

(a) Exemption for lodging at corporate training center. -- The hotel rental tax does not apply to the sale of a right to occupy a room or lodgings as a transient guest at a dormitory or other lodging facility that:

(1) is operated solely in support of the headquarters, a training facility, a conference facility, an awards facility, or the campus of a corporation or other organization;

(2) provides lodging solely for employees, contractors, vendors, and other invitees of the corporation that owns the dormitory or lodging facility; and

(3) does not offer lodging services to the general public.

(b) Calvert and St. Mary's counties. -- By resolution, Calvert County and St. Mary's County may provide a tax exemption for classes of hotels.

(c) Carroll County. -- In Carroll County, the hotel rental tax does not apply to a hotel with 10 or fewer sleeping rooms.

(d) Cecil County. -- Cecil County may impose the hotel rental tax only on a transient charge paid to a hotel located in any part of Cecil County that:

(1) is specified by the governing body of Cecil County as a population center;

(2) is not larger than 10 square miles in geographic area; and

(3) has a population of at least 6,000 residents.

(e) Frederick County. -- In Frederick County, the hotel rental tax does not apply to a hotel with:

(1) 10 or fewer sleeping rooms in its main building; and

(2) not more than 20 additional sleeping rooms in auxiliary structures on the hotel's property.

(f) Washington County. -- In Washington County, the hotel rental tax does not apply to a

transient charge paid to a hotel by:

- (1) the federal government;
- (2) a state; or
- (3) a unit or instrumentality of a state or the federal government.

**HISTORY:** An. Code 1957, art. 24, §§ 9-303(c), 9-305; 2013, ch. 119, § 2; ch. 510.



LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-405 (2014)

§ 20-405. Tax rates

(a) In general. -- Subject to this section, the hotel rental tax rate is the rate that the county sets by resolution.

(b) Limitations. -- The hotel rental tax rate may not exceed:

(1) except as otherwise provided in this section, 3% in a code county;

(2) 3% in Cecil County;

(3) 4% in Talbot County;

(4) 5% in Calvert County, Carroll County, Charles County, Dorchester County, Frederick County, St. Mary's County, and Somerset County; and

(5) 6% in Garrett County and Wicomico County.

(c) Code counties. -- With the unanimous consent of the county commissioners:

(1) a code county other than a Western Maryland code county may set a hotel rental tax rate up to 5%; and

(2) a Western Maryland code county may set a hotel rental tax rate up to 8%.

(d) Washington County. -- The hotel rental tax rate in Washington County is 6%.

**HISTORY:** An. Code 1957, art. 24, § 9-304; 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-406 (2014)

§ 20-406. Duty to collect tax

(a) In general. -- A hotel shall:

(1) give a person who is required to pay a transient charge a bill that identifies the transient charge as an item separate from any other charge; and

(2) collect the hotel rental tax from the person who pays the transient charge.

(b) Tax held in trust. -- A hotel shall hold any hotel rental tax collected in trust for the county that imposes the tax until the hotel pays the tax to that county as required under this part.

**HISTORY:** An. Code 1957, art. 24, § 9-309; 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-407 (2014)

§ 20-407. Duty to pay tax

A person shall pay the hotel rental tax to the hotel when the person pays the transient charge.

**HISTORY:** An. Code 1957, art. 24, § 9-308; 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-408 (2014)

§ 20-408. Tax return required

A hotel shall complete, sign, and file a hotel rental tax return with:

(1) except as provided in item (2) of this section, a code county, on or before the 10th day of each month; and

(2) (i) Cecil County, on or before the 10th day of each month;

(ii) Talbot County and Wicomico County, on or before the 20th day of each month;

(iii) a code county in the Eastern Shore class established in § 9-302 of this article, Calvert County, Carroll County, Charles County, Dorchester County, Frederick County, Garrett County, St. Mary's County, and Somerset County, on or before the 21st day of each month; and

(iv) Washington County, on or before the 25th day of each month.

**HISTORY:** An. Code 1957, art. 24, § 9-310(a); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-409 (2014)

§ 20-409. Form and contents of tax return

A hotel rental tax return for a county:

- (1) shall be made on the form that the county requires; and
- (2) shall contain the information that the county requires, including the amount of:
  - (i) transient charges paid to the hotel during the prior calendar month; and
  - (ii) the hotel rental tax required to be collected during the prior calendar month.

**HISTORY:** An. Code 1957, art. 24, § 9-310(b); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-410 (2014)

§ 20-410. Payment of tax collected

A hotel shall pay to the county the hotel rental tax collected for a calendar month with the return that covers that month.

**HISTORY:** An. Code 1957, art. 24, § 9-311(a); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-411 (2014)

§ 20-411. Discount

(a) In general. -- Except in Calvert County, Carroll County, Charles County, St. Mary's County, and Washington County, a hotel is allowed, for administrative costs, a discount equal to 1.5% of the gross amount of hotel rental tax collected if, on or before the due date, the hotel:

- (1) files the hotel rental tax return; and
- (2) pays the hotel rental tax.

(b) Calvert, Carroll, Charles, St. Mary's, and Washington counties. -- In Calvert County, Carroll County, Charles County, St. Mary's County, and Washington County, the county commissioners may determine whether a hotel is eligible to receive a discount.

**HISTORY:** An. Code 1957, art. 24, § 9-311(b); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-412 (2014)

§ 20-412. County regulations

To provide for the orderly, systematic, and thorough administration of the hotel rental tax, a county may adopt regulations that:

- (1) are consistent with this part; and
- (2) conform to the applicable provisions and regulations for the sales and use tax under Title 11 of the Tax - General Article.

**HISTORY:** An. Code 1957, art. 24, § 9-315; 2013, ch. 119, § 2.



LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-413 (2014)

§ 20-413. State assistance

(a) In general. -- The Comptroller shall provide a county with information to help the county verify hotel rental tax liability.

(b) Fee authorized. --

(1) The Comptroller may charge a county a reasonable fee for the cost of providing information under this section.

(2) The county shall treat the fee as a hotel rental tax administrative cost.

**HISTORY:** An. Code 1957, art. 24, § 9-316; 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-414 (2014)

§ 20-414. Bond of county tax collector

(a) Increase. -- To cover the revenue that a tax collector collects under this part, a county may increase the surety bond that the county requires for its tax collector.

(b) Administrative cost. -- The county shall treat any additional premium due to a surety bond increase allowed under subsection (a) of this section as a hotel rental tax administrative cost.

**HISTORY:** An. Code 1957, art. 24, § 9-317; 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-415 (2014)

§ 20-415. Revenue distribution -- Code counties and Calvert, Cecil, Garrett, and St. Mary's counties

(a) In general. -- Except as otherwise provided in this part, a code county, Calvert County, Cecil County, Garrett County, or St. Mary's County shall distribute the hotel rental tax revenue as follows:

(1) a reasonable sum for hotel rental tax administrative costs to the general fund of the county;

(2) after the distribution in item (1) of this subsection, the revenue attributable to a hotel located in a municipality to the municipality; and

(3) the remaining balance to the general fund of the county.

(b) Cecil County. -- Cecil County may not deduct more than 5% of the revenue for administrative costs under subsection (a)(1) of this section.

(c) Garrett County. -- Garrett County shall designate a part of the balance under subsection (a)(3) of this section for the promotion of the county.

(d) Western Maryland code counties. -- If a Western Maryland code county imposes a tax rate greater than 5%, the revenue attributable to the rate greater than 5% and attributable to a hotel located in a municipality shall be distributed to the general fund of the county.

**HISTORY:** An. Code 1957, art. 24, § 9-318(a), (b)(1), (2), (8); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-416 (2014)

§ 20-416. Revenue distribution -- Carroll County

Carroll County shall distribute the hotel rental tax revenue as follows:

(1) a reasonable sum for hotel rental tax administrative costs to the general fund of the county; and

(2) the remaining balance to tourism and general promotion of Carroll County.

**HISTORY:** An. Code 1957, art. 24, § 9-318(b)(7); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-417 (2014)

§ 20-417. Revenue distribution -- Charles County

Charles County shall distribute the hotel rental tax revenue to the general fund of the county.

**HISTORY:** An. Code 1957, art. 24, § 9-318(a) (intro. lang.), (1), (3); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-418 (2014)

§ 20-418. Revenue distribution -- Dorchester County

Dorchester County shall distribute the hotel rental tax revenue as follows:

- (1) 80% of the revenues attributable to a hotel located in a municipality to that municipality; and
- (2) the remaining balance to the general fund of the county.

**HISTORY:** An. Code 1957, art. 24, § 9-318(b)(6); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-419 (2014)

§ 20-419. Revenue distribution -- Frederick County

(a) In general. -- Frederick County shall distribute the hotel rental tax revenue as follows:

(1) a reasonable sum for hotel rental tax administrative costs to the general fund of the county; and

(2) the remaining balance to the Tourism Council of Frederick County, Inc., with a portion of the balance designated by the county commissioners to be used for a visitor center.

(b) Audit. -- The internal auditor of Frederick County shall conduct an audit of the financial records of the Tourism Council and report the findings to the county commissioners.

**HISTORY:** An. Code 1957, art. 24, § 9-318(b)(5); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-420 (2014)

§ 20-420. Revenue distribution -- Somerset County

Somerset County shall distribute the hotel rental tax revenue to the general fund of the county.

**HISTORY:** An. Code 1957, art. 24, § 9-318(a) (intro. lang.), (1), (3); 2013, ch. 119, § 2.



LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-421 (2014)

§ 20-421. Revenue distribution -- Washington County

(a) In general. -- Washington County shall distribute the hotel rental tax revenue as follows:

(1) 50% to the general fund of the county to be used to fund the Hagerstown/Washington County Convention and Visitors Bureau; and

(2) the remaining balance to a special fund to be used only to:

(i) cover costs for wages, postage, supplies, and legal fees incurred in administering the hotel rental tax;

(ii) develop tourism attractions;

(iii) enhance economic development; and

(iv) support cultural and recreational projects in Washington County.

(b) Municipalities. -- A municipality in Washington County may apply to the County Commissioners of Washington County for funding from the special fund established under subsection (a)(2) of this section for an eligible project within the municipality.

(c) Public hearing. -- Each year before adoption of its annual budget, the Hagerstown/Washington County Convention and Visitors Bureau shall hold a public hearing on the proposed annual budget.

(d) Reporting requirements. -- On or before September 1 of each year:

(1) the County Commissioners of Washington County shall report to the Washington County Senate and House Delegations to the General Assembly on the hotel rental tax revenue collected and the use of the hotel rental tax revenue for the previous fiscal year; and

(2) the Hagerstown/Washington County Convention and Visitors Bureau shall report to the Washington County Senate and House Delegations to the General Assembly on the Bureau's use of the hotel rental tax revenue for the previous fiscal year.

**HISTORY:** An. Code 1957, art. 24, § 9-318(b)(4); 2013, ch. 119, § 2.



LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-422 (2014)

§ 20-422. Revenue distribution -- Wicomico County

Wicomico County shall distribute the hotel rental tax revenue as follows:

(1) a reasonable sum for hotel rental tax administrative costs, not to exceed 5%, to the general fund of the county;

(2) if the county authorizes a hotel rental tax rate of 6%:

(i) 16.7% of the revenue to the Salisbury Zoological Park; and

(ii) 16.7% of the revenue to the Wicomico County Youth and Civic Center to be used for its improvement and renovation; and

(3) the remaining balance to the general fund of the county to underwrite the Wicomico County Convention and Visitors Bureau.

**HISTORY:** An. Code 1957, art. 24, § 9-318(a) (intro. lang.), (1), (b)(3); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-423 (2014)

§ 20-423. Timing of distribution

A county shall make the distributions required under this part between the 15th day and the 30th day of each calendar month.

**HISTORY:** An. Code 1957, art. 24, § 9-318(c); 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-424 (2014)

§ 20-424. Annual report -- Western Maryland code counties

(a) In general. --

(1) On or before October 1 of each year, a Western Maryland code county shall prepare a report on the hotel rental tax.

(2) The report shall be published in a newspaper of general circulation in the county and posted on the county's Internet Web site.

(3) The report shall include:

(i) the amount of revenue the county collected from the hotel rental tax in the previous fiscal year;

(ii) an itemized statement of the use of hotel rental tax revenue; and

(iii) the name and salary of each position in the county unit that administers the hotel rental tax.

(b) Audits. -- A Western Maryland code county shall provide a copy of any audits that relate to the hotel rental tax to the county Senate and House Delegations to the General Assembly.

**HISTORY:** An. Code 1957, art. 24, § 9-319; 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-425 (2014)

§ 20-425. Interest

(a) In general. -- If a hotel fails to pay the hotel rental tax as required under this part, the hotel shall pay interest on the unpaid tax from the date on which the hotel is required to pay the tax to the date that the tax is paid.

(b) Rate. -- The interest rate for each month or fraction of a month is:

(1) for Cecil County, Dorchester County, Talbot County, Washington County, and Wicomico County, 1%; and

(2) for any other county, 0.5%.

**HISTORY:** An. Code 1957, art. 24, § 9-321; 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-426 (2014)

§ 20-426. Tax penalties

(a) In general. -- Except in Talbot County or Wicomico County, if a hotel fails to pay the hotel rental tax to a county within 1 month after the payment is due under § 20-410 of this subtitle, the hotel shall pay a tax penalty of 10% of the unpaid tax.

(b) Talbot and Wicomico counties. -- If a hotel fails to pay the hotel rental tax to Talbot County or Wicomico County within 120 days after the payment is due under § 20-410 of this subtitle, the hotel shall pay a tax penalty of 10% of the unpaid tax.

**HISTORY:** An. Code 1957, art. 24, § 9-322; 2013, ch. 119, § 2.

LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-427 (2014)

§ 20-427. Collections

- (a) Civil action. -- A county may file a civil action to collect unpaid hotel rental tax.
- (b) Distrainment. -- A county may collect unpaid hotel rental tax by distrainment.
- (c) Liens. -- Except in Calvert County and St. Mary's County, unpaid hotel rental tax is:
  - (1) a lien against the real and personal property of the person owing the tax; and
  - (2) collectible in the same manner as the property tax may be collected under the Tax - Property Article.

**HISTORY:** An. Code 1957, art. 24, §§ 9-323, 9-324, 9-325; 2013, ch. 119, § 2.



LOCAL GOVERNMENT  
DIVISION IV. LOCAL FINANCE  
TITLE 20. TAXES AND DEVELOPMENT IMPACT FEES  
SUBTITLE 4. HOTEL RENTAL TAXES  
PART I. COUNTY HOTEL RENTAL TAXES

Md. LOCAL GOVERNMENT Code Ann. § 20-428 (2014)

§ 20-428. Hotel surety bond

(a) Authorized. --

(1) Subject to paragraph (2) of this subsection, to protect hotel rental tax revenue, a county may require a hotel to file security with the county in an amount that the county determines.

(2) Cecil County, Talbot County, and Wicomico County may require security under this section only for a hotel that has been in default.

(b) Form. -- Security under this section shall be:

(1) a bond issued by a surety company that is:

(i) authorized to do business in the State; and

(ii) approved by the Insurance Commissioner as to solvency and responsibility;

(2) cash; or

(3) security approved by the county.

(c) Notice. --

(1) If security is required under this section, the county shall give the hotel notice of the amount of security.

(2) Within 5 days after a hotel receives notice that security is required, the hotel shall:

(i) file the security; or

(ii) submit a written request for a hearing on the security requirement.

(d) Hearing. --

(1) If a hearing is requested under subsection (c) of this section, the county shall hold a hearing to determine the necessity, propriety, and amount of the security.

(2) (i) The determination at the hearing is final.

(ii) The hotel shall comply within 15 days after the hotel receives notice of the determination.

(e) Use of security. -- Without notice to the hotel that files security under subsection (b)(2) or (3) of this section, the county at any time may:

(1) apply the cash to the hotel rental tax due; or

(2) sell the security and apply the proceeds of the sale to the hotel rental tax due.

**HISTORY:** An. Code 1957, art. 24, § 9-326; 2013, ch. 119, § 2.