



*Gregory J. Swain, County Attorney*

## MEMORANDUM

**To:** Council Members, Anne Arundel County Council

**Through:** Gregory J. Swain, County Attorney /s/

**From:** Kelly Phillips Kenney, Supervising County Attorney /s/

**Date:** March 2, 2020

**Subject:** Bill No. 21-20 – Finance, Taxation, and Budget – Use or Occupancy Tax – Licenses and Registrations – Short-term Residential Rentals

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### Legislative Summary

This summary was prepared by the Anne Arundel County Office of Law for use by members of the Anne Arundel County Council during consideration of Bill No. 21-20. The summary is intended to explain the purposes and legal effects of the bill.

#### Purpose.

**Purpose and Background.** The primary purpose of Bill No. 21-20 is to clarify the definition of “rent” in as it relates to the use or occupancy tax (formerly the hotel tax).

Various references in § 4-6-105 (as amended by Bill No. 88-19) to “paid” are replaced with “provided” throughout the Bill to clarify the current law to make it clear that rent is not always just monetary consideration. In § 4-6-105(a)(7)(i), in the definition of “rent”, “the consideration paid” is changed to the “monetary or non-monetary consideration” for the use or occupancy of a short-term rental. **Subsection (a)(7)(v)** is new and adds a new category of “rent” to include “the short-term rental rate applicable to the general public on the date a short-term rental is occupied: (1) without the occupant providing any monetary consideration; or (2) the occupant providing monetary consideration less than the short-term rental rate applicable to the general public.”

In **Subsections 4-6-105(b), (c), (d), and (e)**, the word “paid” is removed, and in **Subsections (c) and (d)**, it is replaced with “provided” for the reasons discussed above. In

**Subsection (d)(3)**, “host” is replaced with “owner or operator” to be consistent with the term used in this section.

**Subsection (g)** is revised to make it clear that the use or occupancy tax shall be remitted whether or not it is collected. In **Subsection (j)**, an extra “a” that was added by Bill No. 88-19 is removed. There are no changes to subsections (h), (i), or (k).

Lastly, the definition of “rent” in **§ 11-13A-101(5)** (as enacted by Bill 89-19) is modified to incorporate the definition from § 4-6-105.

This Office is available to answer any additional questions about this Bill.

cc: Honorable Steuart Pittman, County Executive  
Jennifer Purcell, Chief of Staff  
Benjamin J. Birge, Chief Administrative Officer  
Peter Baron, Legislative Liaison  
Karin McQuade, Controller  
Jim Beauchamp, Budget Officer