

## Local Hotel-Motel Tax (State-shared)

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**RCW** 67.28.180

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**Tax Base** Charges for lodging at hotels, motels, rooming houses, private campgrounds, RV parks, and similar facilities for continuous periods of less than one month.

Tax exemptions may reduce the tax liability for this tax base. For more information, refer to the [Tax Exemption Study](#).

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**Tax Rate** Up to 2 percent, all cities and counties that levy the hotel-motel tax have adopted the maximum rate.

Per RCW 67.28.1801, the tax is credited against the state retail sales tax of 6.5 percent, so that the hotel-motel tax is not an additional tax for the customer but represents sharing of the state retail sales tax receipts on lodging with cities and counties.

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**Recent Collections (\$000)**

Fiscal Year	Collections	% Change	% of All State Taxes
2016	\$102,605	7.1%	0.6%
2015	\$95,829	13.6%	0.6%
2014	\$84,362	7.4%	0.5%
2013	\$78,564	4.5%	0.5%
2012	\$75,201	1.4%	0.5%
2011	\$74,138	19.7%	0.5%
2010	\$61,939	-11.6%	0.5%
2009	\$70,087	-2.5%	0.5%
2008	\$71,883	10.3%	0.5%
2007	\$65,153	14.6%	0.4%

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<b>Distribution of Receipts</b>	All receipts from this tax are deposited into a suspense account and are then distributed by the State Treasurer to cities and counties within two months following their receipt from hotels and motels.  Hotel-motel tax receipts may be used for promotion of tourism or construction and operation of tourism-related facilities, as well as the operational expenses of special events to attract tourists. A city may not use hotel-motel tax receipts for a facility intended to house a professional sports franchise if the county is already using its tax receipts for such a purpose.
<b>Levied by</b>	Cities and counties, currently 281 cities and all 39 counties impose the tax.  For more information about this tax, refer to the <a href="#">Local Tax Reference Guide</a> .
<b>Administration</b>	Department of Revenue.  Transient rental income is reported by hotels and motels on the Combined Excise Tax Return Addendum. No reimbursement for the cost of collection is allowed for the Department of Revenue.
<b>History</b>	2002 The tax base was clarified so that long-term rentals would not be subject to the tax, even though the same individual units were not used for each of the 30 plus days.  1991 to 1997 The Legislature repealed the specific uses of hotel-motel tax funds and allowed the tax to be devoted to any tourism-related purpose.  1988 Steam railroads were included in the use of hotel-motel tax funds.  1987 Agricultural promotion was added to the use of hotel-motel tax funds.  1986 Tourism strategies in distressed areas and tall ships in Grays Harbor County were included in the use of hotel-motel tax funds.  1985 Capital improvements in stadiums were added to the use of hotel-motel tax funds.  1979 Arts facilities and tourist promotion were included in the use of hotel-

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motel tax funds.

- 1975 The requirement that the city tax must be credited against the county tax (except for Bellevue and Yakima) was added.
  - 1973 Convention centers were added to the use of hotel-motel tax funds and the tax broadened to include any city or county.
  - 1970 The tax was broadened to include the cities of Tacoma and Spokane.
  - 1967 The tax was authorized for King County to provide funding for the King County Stadium (Kingdome).
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