Instructions for Filing Brazos County Hotel Occupancy Tax

Effective June 15, 2007, Chapter 352 of the Texas Tax Code was amended to authorize Brazos County to impose a 2% hotel occupancy tax. The Commissioners Court of Brazos approved Order 07-003 (effective September 1, 2007 and revised April 1, 2008) to begin collecting this tax. House Bill 3296 was passed and signed by the Governor on June 14, 2013. The Bill amended Section 352.003 of the Texas Tax Code. This bill authorized Brazos County to increase the County hotel occupancy tax rate from 2.0% to 2.75% on September 1, 2013, with the proceeds from the increase going to the renovation of Kyle Field.

DEFINITIONS

In this document, all properties and locations subject to Hotel Occupancy Tax may also be named as “hotel” or “hotels” in these instructions. "Hotel" means a building in which members of the public obtain sleeping accommodation for consideration. The term includes a hotel, motel, tourist home, tourist house, tourist court, lodging house, inn, rooming house, bed and breakfast, or short-term rental.

The terms “tax,” “taxable,” and “taxes” all refer to Hotel Occupancy Tax.

The Brazos County Hotel Occupancy Tax Report may also be referred to as “Report” or “Report form.”

WHO MUST FILE

You must file if you are a sole owner, partnership, corporation or other organization that owns, operates, manages, and/or controls any hotel, motel, bed and breakfast, room, house, tourist court, residency inn, condominium, cabin, cottage, vacation rental, short term rental, or other location offering sleep accommodations for periods of less than 30 days that are located in Brazos County. Sleep accommodations do not include meeting rooms, offices, or other general gathering areas.

With the numerous sporting and entertainment events around the state, many homeowners rent their homes or rooms in their house to people attending these events. Persons leasing sleep accommodations in their house must also file Hotel Occupancy Tax with Brazos County. Property management companies, online travel companies and other third-party rental companies may also be responsible for filing the tax.

Regulations for Hotel Occupancy Tax are set by the State of Texas and noted in the Tax Code. All hotels within Brazos County are subject to a local Hotel Occupancy Tax of 2.75%.

You are responsible for your tax collection and submission to Brazos County. If you list your hotel with an online service, make sure that the correct amount of tax is collected and filed with Brazos County.

Hotels at different locations may not combine revenue on one Report nor file joint Reports.

A hotel must file a report for each required reporting period.

WHEN AND WHERE TO FILE

Reports must be filed on or before the last day of the calendar month following the (a) REPORTING PERIOD. Hotel Occupancy Tax Reports are considered timely if postmarked by the last day of the month or delivered to the Brazos County Treasurer's Office by the last day of the month. If sending by mail, a penalty will be assessed if postmarked after the due date.

The REPORT OF HOTEL OCCUPANCY TAX form and tax remittance may be submitted in the following ways:

- By Mail: Brazos County Treasurer, 200 S Texas Ave., Ste 240, Bryan, TX 77803. Envelopes must be postmarked by due date to not incur any late charges.
- In Person: 200 S Texas Ave., Ste 240, Bryan, TX 77803

Once you begin operating as a hotel, a report must be filed with Brazos County Treasurer for every reporting period for each Hotel location, even if there are no (i3) TAXABLE RECEIPTS.

Different reporting periods shall not be combined on one report. If the property is no longer operating as a hotel, you must file a final Report of Hotel Occupancy Tax with the status change noted in section (B), or you are still responsible for reporting and remitting tax.

VIOLATIONS

Pursuant to Section 352.004 of the Texas Tax Code, the Brazos County Treasurer shall refer any Hotel Occupancy Tax account that has delinquent balance older than ninety (90) days to the County Attorney for the purpose of filing a suit to enjoin the hotel from operating until the tax is paid and the report(s) filed. This remedy shall be in addition to the remedy of a collection suit, and in addition to other available remedies.

FORM INSTRUCTIONS

*Please note that some fields may populate themselves when using a fillable version of this form.

(A) REPORTING PERIOD: Determined by the amount of tax due. A hotel that owes less than $500 for each calendar month or $1,500 for a calendar quarter shall report and remit on the last day of the month following the end of the quarter. Hotels that remit more than $1,500 a quarter must file monthly tax returns by the last day of the following month. If the Hotel reports monthly, select "Month Ending" and select the last day of the month. If the Hotel reports quarterly, select "Quarter Ending" and the last day of the quarter.

DATE FILING: The date that the report and payment is postmarked or the date that the report and payment is hand delivered to the Brazos County Treasurer's Office.

DUE DATE: Reports must be filed on or before the last day of the calendar month following the (a) REPORTING PERIOD. Hotel Occupancy Tax Reports are considered timely if postmarked by the last day of the month or delivered to the Brazos County Treasurer's Office by the last day of the month. If sending by mail, a penalty will be assessed if postmarked after the due date. Tracking information for the payment and filing should be kept in case mail is misplaced by the mail carrier.

The date should auto populate based off the month or quarter ending report date selection.

STATE TAXPAYER #: The taxpayer number assigned by the state.

(B) PROPERTY NAME and PROPERTY ADDRESS: DBA OR RENTAL NAME. This is the name commonly used in marketing the property; it is not the owner's name or taxpayer name. This is the physical address of the property.

TAXPAYER NAME and MAILING ADDRESS: This can be different than the Property Name and Address.

<u>If you are filing for multiple properties with the same taxpayer #, please complete the MULTIPLE PROPERTIES SUPPLEMENT FORM.</u>

(C) HOTEL OCCUPANCY TAX CALCULATIONS

(1) GROSS RECEIPTS Taxable gross receipts for Hotel Occupancy Tax are determined by the State of Texas and are charges for items or services directly related to the rental of a hotel room. Enter GROSS RECEIPTS in line 1. Examples of common taxable room rate items include room rate, and fees for pets, smoking, extra bed, extra person, refrigerator, safe, and cleaning. Others room services may also be taxed per State Tax Code. Personal services such as use of telephone, spa and childcare services are not subject to Hotel Occupancy Tax.

When the bill to the customer is lump sum or not itemized, the entire amount of the bill is subject to Hotel Occupancy Tax. When the bill is itemized showing room charges separate from other package items, only the applicable charges are subject to Hotel Occupancy Tax.

2) TOTAL EXEMPTIONS CLAIMED: Exemptions are determined by the State of Texas. Insert into (2) total receipts for all sleeping accommodations qualifying for an exemption. If requested, the Texas Comptroller of Public Accounts FORM 12-302 and a copy of verification documentation from the individual or organization claiming an exemption, should be available for review by Brazos County. Enter total amount of EXEMPTIONS in (2).

3) TAXABLE RECEIPTS: Subtract qualifying (2) EXEMPTIONS from (1) GROSS RECEIPTS.

4) 2%: Multiply (3) TOTAL TAXABLE RECEIPTS by 2% TAX RATE to calculate (4) 2%.

5) .75%: Multiply (3) TOTAL TAXABLE RECEIPTS by .75% TAX RATE to calculate (5) .75%.

6) TOTAL TAX DUE: Add (4) 2% and (5) .75%.

7) PENALTY AND INTEREST CHARGES: (7a) Delinquent taxes are assessed a five percent (5%) penalty on the first day after the DUE DATE. Multiply (6) TOTAL TAX DUE by 5%. (7b) Beginning on the 31st day after the DUE DATE, the penalty is an additional five percent (5%). Multiply the (6) TOTAL TAX DUE by 5%. (7c) Delinquent Taxes and penalties begin to accrue interest beginning 60 days after the date on which the tax was due. The rate of interest is ten percent (10%) per year (.0274% per day). Multiply the sum of (6) TOTAL TAX DUE and (7a & 7b) PENALTIES by (.0274%) and the number of days greater than 59 days past the DUE DATE.

8) TOTAL DUE: Add (6) TOTAL TAX DUE, (7a) PENALTY, (7b) ADDITIONAL PENALTY, and (7c) INTEREST. This is the amount that is due to Brazos County.

(D) STATEMENT: This person is responsible for the complete reporting of all receipts and accurate calculations of Hotel Occupancy Tax in Brazos County, including any and all late charges incurred as a result of late payment, and must complete and sign that the report is accurate to the best of his/her knowledge and belief.