

2020 TOURISM RELIEF PROGRAM FOR HOTELS AND LODGING PARTNERS

In light of dramatic local, county, and state restrictions necessitated by the COVID-19 pandemic, the **City of Seaside passed a special measure on April 6, 2020 to waive Transient Room Tax (TRT) due from the quarter ending March 31, 2020** for all short-term lodging entities in the city limits.



This one-time relief from the City's TRT is intended to help ensure the long-term health and sustainability of the area's diverse lodging community, which has been at the heart of the Seaside experience for generations. In the same quarter in 2019, Seaside short-term lodging properties (hotels, motels and vacation rental dwellings) collected more than \$1 million in TRT for the City of Seaside.

The TRT is a 10% city tax collected in addition to the room rate charged by lodging operators for short-stay guests (30 days or less) in Seaside. The **TRT is not a tax on lodging operators** and, in fact, every operator may always withhold 5% of net TRT collected to cover collection and remittance expenses. By statute, the funds collected for the City are due on the 15th day following the preceding three months of the quarter. In this case, TRT collected for January, February, and March 2020 would be due April 15.

HOW TO RECEIVE CITY TRT RELIEF

While all lodging, hotels, short-term rentals, homestay lodges, and campgrounds in the City of Seaside are eligible to be relieved of the City's TRT tax for Q1 2020, each entity must still complete and submit the usual [Room Tax form](#) (minus the collected funds) by April 30, 2020. Forms may be delivered to Seaside City Hall in person or by mail (so long as it's postmarked or received by the deadline).

The City's TRT will not be relieved for lodging entities who do not submit completed forms by the deadline nor for those who have outstanding TRT collected from previous quarters unless released to the City in full by the current deadline.

IMPORTANT MESSAGE REGARDING CLATSOP COUNTY AND STATE TRT

This TRT relief is limited to the City of Seaside. Operators must still pay the State of Oregon's 1.8% and Clatsop County's 1% lodging tax collection.

Frequently Asked Questions for Members of the Lodging Community

Q: What if I already paid my lodging tax prior to hearing of this announcement.

A: If the city received your payment and proper paperwork, the city will be processing a refund and you should expect to receive that in the next 7-14 days.

Q: What will you do with lodging tax for the April - June, 2020 quarter (Q2)?

A: This is a one-time relief from transient lodging tax. Any TRT collected between April 1 through June 30, 2020 shall be due by July 15, 2020.

Q: How can the city afford to relinquish this type of income?

A: Tourism is vital to our community and has been since the late 1800s. While this limits disbursement in funds to the Convention Center, Visitors Bureau, Public Safety, and Public Works funds for this quarter, it's done so with the future in mind. We do hold financial reserves for situations like this and will rely on those in this time.

Q: Do you have recommendations for proper collection?

A: The City of Seaside has long advocated for its lodging partners to set aside the lodging tax received once a guest of yours checks out. This could be as simple as setting up a special bank account for these funds alone. By City of Seaside Ordinance, our lodging partners are collecting this on behalf of the City of Seaside and all collection partners may hold 5% of the total collections as an administrative fee. The remainder of the collections (\$95 of every \$100 collected) must be remitted to the City of Seaside by the deadlines mentioned above.

Q: What about properties that have relationships with third-party intermediaries like Airbnb and Vrbo? How do we obtain the tax that they collected on our behalf?

A: Because the City of Seaside receives no information from third-party intermediaries about details on these short-term stays in Seaside, we have no authority or guidance on itemized TRT collected for property owners that choose to enter into these contractual arrangements. As such, the TRT from third-party intermediaries will be returned as a lump sum, in the same way it is paid to the City. We will be informing third-party intermediaries of our citywide action and encouraging them to return the funds to local hosts. If you receive income payments from these third-party intermediaries, any potential claim on TRT remitted on behalf of stays at your property during the January 1, 2020 through March 31, 2020 quarter would need to be requested directly through individuals under those contracts.

Please Note: Any questions about payments already made or submitting proper paperwork should be sent to Debbie Kenyon (dkenyon@cityofseaside.us).