

423A.5A Collection and remittance of hotel and motel tax.

1. For purposes of [this section](#):

a. “Discount room charge” means the amount a lodging provider charges a lodging facilitator for lodging, excluding any applicable tax.

b. “Travel package” means lodging bundled with one or more separate components such as air transportation, car rental, or similar items and charged for a single retail price.

2. [This section](#) shall govern the collection and remittance of all taxes imposed under [this chapter](#).

3. Unless otherwise provided in [this section](#), the state-imposed tax under [section 423A.3](#) and any locally imposed tax under [section 423A.4](#) shall be collected by the lodging provider from the user of that lodging and shall be remitted to the department. The lodging provider shall add the state-imposed tax to the sales price of the lodging and the tax, when collected, shall be stated as a distinct item, separate and apart from the sales price of the lodging and from the locally imposed tax, if any. The lodging provider shall add the locally imposed tax, if any, to the sales price of the lodging and the tax, when collected, shall be stated as a distinct item, separate and apart from the sales price of the lodging and from the state-imposed tax.

4. If a transaction for the rental of lodging involves a lodging facilitator, all of the following shall occur in the order prescribed:

a. The lodging facilitator shall collect the taxes imposed under [this chapter](#) on any sales price that the user pays to the lodging facilitator in the same manner as a lodging provider under [subsection 3](#).

b. (1) Unless otherwise required by rule or order of the department, the lodging facilitator shall remit to the lodging provider that portion of the taxes collected on the sales price that represents the discount room charge.

(2) No assessment shall be made against a lodging facilitator for tax due on a discount room charge if the lodging facilitator collected the tax and remitted it to a lodging provider that has a valid tax permit required under [this chapter](#). This subparagraph shall not apply if the lodging facilitator and lodging provider are affiliates, or if the department requires the lodging facilitator to remit taxes collected on that portion of the sales price that represents the discount room charge directly to the department.

c. The lodging facilitator shall remit any remaining tax it collected to the department.

d. (1) The lodging provider shall collect and remit to the department any taxes the lodging facilitator remitted to the lodging provider, and shall collect and remit to the department any taxes due on any amount of sales price the user paid to the lodging provider.

(2) No assessment shall be made against a lodging provider for any tax due on a discount room charge that was not remitted to the lodging provider by a lodging facilitator. This subparagraph shall not apply if the lodging provider and lodging facilitator are affiliates.

e. Notwithstanding any other provision of [this section](#) to the contrary, if a lodging facilitator and its affiliates facilitate total rentals under [this chapter](#) and [chapter 423C](#) that are equal to or less than an aggregate amount of sales price and rental price of ten thousand dollars for an immediately preceding calendar year or a current calendar year, or in ten or fewer separate transactions for an immediately preceding calendar year or a current calendar year, the lodging facilitator shall not be required to collect tax on the amount of sales price that represents the lodging facilitator’s facilitation fee.

5. If a transaction for the rental of lodging involves a lodging platform, the lodging platform shall collect and remit the taxes imposed under [this chapter](#) in the same manner as a lodging provider under [subsection 3](#).

6. If a transaction for the rental of lodging is part of a travel package, the portion of the total price that represents the sales price for the rental of lodging may be determined by the person required under [this section](#) to collect the taxes from the person’s books and records that are kept in the regular course of business including but not limited to books and records kept for non-tax purposes.

2018 Acts, ch 1161, §250, 255

Referred to in §423A.3, 423A.4

Section effective January 1, 2019; 2018 Acts, ch 1161, §255

NEW section