

TITLE 4: ECONOMIC RESOURCES
DIVISION 1: REVENUE AND TAXATION

§ 1502. Hotel Occupancy Tax.

(a) An occupancy tax is imposed upon transient occupants of a room or rooms in a hotel, lodging house, motel, resort motel, apartment, apartment motel, rooming house, private residence, bed and breakfast, condominium or similar facility located in the Commonwealth. The tax shall be 15 percent of the amount charged or paid for the accommodations.

(b) The tax imposed by this section shall be collected by the person who operates, owns or manages a hotel, lodging house, motel, resort motel, apartment, apartment motel, rooming house, private residence, bed and breakfast, condominium, or similar facility as and when paid or charged to the hotel, lodging house, motel, resort motel, apartment, apartment motel, rooming house, private residence, bed and breakfast, condominium, or similar facility.

(c) Every person required to collect the tax imposed by this section shall, on or before the 20th day of the succeeding month make a monthly return to the secretary and pay over the taxes required to be collected for the previous month.

Source: [PL 9-22](#), § 1 (§ 1502) (repealing PL 3-11, § 502); amended by [PL 10-75](#), § 2; subsection (a) amended by [PL 18-1](#) § 3 (Mar. 11, 2013); (a)–(b) amended by [PL 20-30](#) § 2 (Dec. 11, 2017).

Commission Comment: With respect to the reference to the “secretary” of the Department of Finance, see [Executive Order 94-3](#) (effective Aug. 23, 1994), reorganizing the executive branch, changing agency names and official titles, and effecting other changes, set forth in the Commission comment to [1 CMC § 2001](#).

[PL 10-75](#) took effect on December 19, 1997. [PL 10-75](#) amended this section to clarify the definition of hotel, lodging house, or similar facility subject to the hotel occupancy tax. According to [PL 10-75](#), § 1:

Section 1. **Findings.** The legislature finds that there is some confusion regarding what constitutes a hotel, lodging house, or similar facility which is subject to the occupancy tax. The Legislature finds and declares that the intent of the hotel occupancy tax as enacted by [Public Law 3-11](#) and reenacted by [Public Law 9-22](#) was and is that every person who rents, leases, or lets for consideration any living quarters or accommodations in any hotel, motel, resort motel, apartment, apartment motel, resort motel, apartment, apartment motel, rooming house, or condominium for a term of 3 months or less, is exercising a taxable privilege on the proceeds therefrom. The intent was and is not to tax persons who rent living accommodations rather than owning their homes, but to provide a tax on the rental of lodging facilities that primarily serve transient guests.