

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 630

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO SALES AND USE TAXES; AMENDING SECTION 63-1804, IDAHO CODE, TO  
2 REVISE PROVISIONS REGARDING TAXATION OF SHORT-TERM RENTAL MARKETPLACE  
3 TRANSACTIONS AND TO MAKE TECHNICAL CORRECTIONS; AND DECLARING AN EMER-  
4 GENCY AND PROVIDING AN EFFECTIVE DATE.  
5

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Section 63-1804, Idaho Code, be, and the same is hereby  
8 amended to read as follows:

9 63-1804. LIMITING TAX DUTIES OF SHORT-TERM RENTAL MARKETPLACES --  
10 COLLECTION OF TAX. (1) A local government may not levy a sales, use, fran-  
11 chise, receipts, or other similar tax or fee on the business of operating a  
12 short-term rental marketplace.

13 (2) A short-term rental marketplace shall register with the state  
14 tax commission for collection, reporting, and payment of sales and use and  
15 travel and convention taxes levied by this state and any applicable local  
16 government taxes administered by the state tax commission on short-term  
17 rentals and vacation rentals due from a lodging operator on any lodging  
18 transaction facilitated by the short-term rental marketplace.

19 (3) A short-term rental marketplace shall collect, report, and pay  
20 taxes imposed on the lodging operator or occupant of a short-term rental or  
21 vacation rental by any local government.

22 (4) Any local government that has levied a tax pursuant to statutory au-  
23 thorization, may contract with the state tax commission for the collection  
24 and administration of such taxes in like manner and under definitions and  
25 rules of the state tax commission for the collection and administration of  
26 the state sales or use tax under chapter 36, title 63, Idaho Code. Alterna-  
27 tively, such local government shall have authority to administer and collect  
28 such tax. All revenues collected on behalf of the local governments by the  
29 state tax commission pursuant to this chapter shall be distributed as fol-  
30 lows: An amount of money shall be distributed to the state refund fund suffi-  
31 cient to pay current refund claims. All refunds authorized by the commission  
32 to be paid shall be paid through the state refund fund and those moneys are  
33 continuously appropriated. The state tax commission may retain an amount  
34 of money equal to such fee as may be agreed upon between the state tax com-  
35 mission and such local government for the actual cost of the collection and  
36 administration of the tax. The amount retained by the commission shall not  
37 exceed the amount authorized to be expended by appropriation by the legis-  
38 lature. Any unencumbered balance in excess of the actual cost at the end of  
39 each fiscal year shall be distributed as provided in this section. All re-  
40 maining moneys received pursuant to this chapter shall be placed in a fund  
41 designated by the state controller and remitted monthly to the local govern-  
42 ment levying such tax.

1           (5) Amounts collected as sales or use tax on short-term rental market-  
2 place transactions pursuant to section 63-3619 or 63-3621, Idaho Code, shall  
3 be distributed according to section 63-3638, Idaho Code.

4           (6) All transactions by short-term rental marketplaces, as defined in  
5 section 63-1803, Idaho Code, shall be governed by the provisions of this  
6 chapter. The provisions of sections 57-811, 63-3605E, 63-3611, 63-3620E,  
7 and 63-3620F, Idaho Code, shall not apply to short-term rental marketplace  
8 transactions under this chapter.

9           (7) A short-term rental marketplace that has not facilitated a lodging  
10 transaction in Idaho shall have forty-five (45) days to comply with this sec-  
11 tion upon completion of ~~their~~ its first lodging transaction in Idaho.

12           SECTION 2. An emergency existing therefor, which emergency is hereby  
13 declared to exist, this act shall be in full force and effect on and after  
14 July 1, 2022.