Bill as Introduced

HB 15-FN - AS AMENDED BY THE HOUSE

9Apr2021... 0599h

2021 SESSION

21-0670
10/08

HOUSE BILL ***15-FN***

AN ACT relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

SPONSORS: Rep. Packard, Rock. 5; Rep. Major, Rock. 14; Rep. Almy, Graf. 13; Rep. Abrami, Rock. 19

COMMITTEE: Ways and Means

ANALYSIS

This bill adds and modifies definitions and requirements in the meals and rooms tax to include facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Meals and Rooms Tax; Definition; Gross Rental Receipts; Motor Vehicle Rentals. Amend RSA 78-A:3, VI to read as follows:

VI. "Gross rental receipts" means value received or promised as consideration to the owner of a motor vehicle ***and any rental facilitator*** for [~~rental of the vehicle , but~~] ***a rental agreement, including any fee, service, or other charge or amount required to be paid by the renter as a condition for the rental agreement. The term*** shall not include:

(a) Separately stated charges for insurance;

(b) Charges for damages to the motor vehicle occurring during the rental agreement period;

(c) Separately stated charges for motor fuel sold by the owner of the motor vehicle[~~.~~]***;***

(d) Amounts paid by an operator to a travel agent as commission or compensation for the travel agent's services.

2 Definition; Operator. Amend RSA 78-A:3, XIII to read as follows:

XIII. "Operator" means any person operating a hotel, charging for a taxable meal, or receiving gross rental receipts, whether as owner or proprietor or lessee, or otherwise. ***The term operator shall include a rental facilitator and a room facilitator.***

3 Definition; Rent; Room Facilitators Added. Amend RSA 78-A:3, XVII(a) to read as follows:

(a) The [~~consideration received~~] ***full retail price charged*** for occupancy valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property, or services of any kind or nature, and also any amount for which the occupant is liable for the occupancy without any deduction of any kind***, including any fee, service, or other charge required to be paid by the occupant to a room facilitator, except that the term rent shall not include amounts paid by an operator to a travel agent as commission or compensation for the travel agent's services***; and

4 Definition; Rental Agreement. Amend RSA 78-A:3, XVIII to read as follows:

XVIII. "Rental agreement" means an agreement by the owner of a motor vehicle to provide, for not longer than 180 days, the exclusive use of that motor vehicle to another for consideration, ***whether directly or indirectly, through a rental facilitator or otherwise.***

5 New Paragraph; Definition; Rental Facilitator. Amend RSA 78-A:3 by inserting after

paragraph XVIII the following new paragraph:

XVIII-a. "Rental facilitator" means any person having any right, access, ability, or authority to offer, reserve, book, arrange for, remarket, distribute, broker, resell, coordinate, or otherwise facilitate rental of a motor vehicle to a renter, whether directly or indirectly, through an Internet transaction or any other means whatsoever.

6 New Paragraph; Definitions; Room Facilitator. Amend RSA 78-A:3 by inserting after paragraph XIX the following new paragraph:

XIX-a. "Room facilitator" means any person having any right, access, ability, or authority to offer, reserve, book, arrange for, remarket, distribute, broker, resell, coordinate, or otherwise facilitate occupancy to an occupant, whether directly or indirectly, through an Internet transaction or any other means whatsoever.

7 New Subparagraphs; Collection of Tax; Rental Facilitator; Room Facilitator. Amend RSA 78-A:7, I by inserting after subparagraph (b) the following new subparagraphs:

(c) If the rental of a motor vehicle is offered, reserved, booked, arranged for, or otherwise facilitated in whole or in part by a rental facilitator, the rental facilitator shall demand and collect the tax from the renter. The rental facilitator shall remit the tax to the state.

(d) If the occupancy is offered, reserved, booked, arranged for, or otherwise facilitated in whole or in part by a room facilitator, the room facilitator shall demand and collect the tax from the occupant. The room facilitator shall remit the tax to the state.

7 New Paragraphs; Assessment of Additional Tax; Rental Facilitator; Room Facilitator. Amend RSA 78-A:11 by inserting after paragraph I the following new paragraphs:

I-a. If a rental facilitator required to collect and remit a tax under this chapter fails to make a return, no assessment shall be made except against the rental facilitator.

I-b. If a room facilitator required to collect and pay a tax under this chapter fails to make a return, no assessment shall be made except against the room facilitator.

8 Effective Date. This act shall take effect 60 days after its passage.

LBA
21-0670
12/23/20

HB 15-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

FISCAL IMPACT: **[X] State** **[ ] County** **[X] Local** **[ ] None**

	Estimated Increase / (Decrease)			
STATE:	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
Appropriation	$0	$0	$0	$0
Revenue	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	$0	$0	$0	$0
Funding Source:	[X] General	[X] Education	[ ] Highway	[ ] Other

LOCAL:

Revenue	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	$0	$0	$0	$0

METHODOLOGY:

This bill clarifies "operator" within the Meals and Rooms tax includes room facilitators and motor vehicle rental facilitators and that for each occupancy or motor vehicle rental being facilitated by one of these facilitators, they must collect and remit the Meals and Rooms tax to the State. To the extent facilitators exist that do not currently collect and remit the Meals and Rooms tax when room or motor vehicle rental transactions are facilitated, General Fund and Education Trust Fund revenue will increase by an indeterminable amount.

The Department of Revenue Administration indicates it could administer this change without additional expenditures.

The Department also states the statutory Meals and Rooms Tax distribution formula (RSA 78-A:26,II) requires an increased municipal revenue distribution if tax revenue increases, as may result from this bill's operation. The distribution of revenue pursuant to this formula has been capped in past budget bills, including for the FY20-FY21 biennium, but the formula will be fully effective again beginning in FY22 without legislative action to suspend its operation.

It is assumed this bill will take effect July 1, 2021.

AGENCIES CONTACTED:

Department of Revenue Administration

LBA
21-0670
Amended 4/13/21

HB 15-FN FISCAL NOTE
AS AMENDED BY THE HOUSE (AMENDMENT #2021-0599h)

AN ACT relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

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9Apr2021... 0599h
05/20/2021 1488s

2021 SESSION

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I-b. If a room facilitator required to collect and pay a tax under this chapter fails to make a return, no assessment shall be made except against the room facilitator.

8 Effective Date. This act shall take effect October 1, 2021.

LBA
21-0670
Amended 5/24/21

HB 15-FN FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT #2021-1488s)

AN ACT relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

FISCAL IMPACT: [X] State [ ] County [X] Local [ ] None

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Department of Revenue Administration

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05/20/2021 1488s

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COMMITTEE: Ways and Means – OTP/A 22-2
SENATE WAYS/MEANS: OTP 4-1

ANALYSIS

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LBA
21-0670
Amended 4/13/21

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Amended 5/24/21

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HB 15-FN - VERSION ADOPTED BY BOTH BODIES

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(d) Amounts paid by an operator to a travel agent as commission or compensation for the travel agent's services.

2 Definition; Operator. Amend RSA 78-A:3, XIII to read as follows:

XIII. "Operator" means any person operating a hotel, charging for a taxable meal, or receiving gross rental receipts, whether as owner or proprietor or lessee, or otherwise. ***The term operator shall include a rental facilitator and a room facilitator.***

3 Definition; Rent; Room Facilitators Added. Amend RSA 78-A:3, XVII(a) to read as follows:

(a) The [~~consideration received~~] ***full retail price charged*** for occupancy valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property, or services of any kind or nature, and also any amount for which the occupant is liable for the occupancy without any deduction of any kind, ***including any fee, service, or other charge required to be paid by the occupant to a room facilitator, except that the term rent shall not include amounts paid by an operator to a travel agent as commission or compensation for the travel agent's services***; and

4 Definition; Rental Agreement. Amend RSA 78-A:3, XVIII to read as follows:

XVIII. "Rental agreement" means an agreement by the owner of a motor vehicle to provide, for not longer than 180 days, the exclusive use of that motor vehicle to another for consideration, ***whether directly or indirectly, through a rental facilitator or otherwise.***

5 New Paragraph; Definition; Rental Facilitator. Amend RSA 78-A:3 by inserting after paragraph XVIII the following new paragraph:

XVIII-a. "Rental facilitator" means any person having any right, access, ability, or authority to offer, reserve, book, arrange for, remarket, distribute, broker, resell, coordinate, or otherwise facilitate rental of a motor vehicle to a renter, whether directly or indirectly, through an Internet transaction or any other means whatsoever.

6 New Paragraph; Definitions; Room Facilitator. Amend RSA 78-A:3 by inserting after paragraph XIX the following new paragraph:

XIX-a. "Room facilitator" means any person having any right, access, ability, or authority to offer, reserve, book, arrange for, remarket, distribute, broker, resell, coordinate, or otherwise facilitate occupancy to an occupant, whether directly or indirectly, through an Internet transaction or any other means whatsoever.

7 New Subparagraphs; Collection of Tax; Rental Facilitator; Room Facilitator. Amend RSA 78-A:7, I by inserting after subparagraph (b) the following new subparagraphs:

(c) If the rental of a motor vehicle is offered, reserved, booked, arranged for, or otherwise facilitated in whole or in part by a rental facilitator, the rental facilitator shall demand and collect the tax from the renter. The rental facilitator shall remit the tax to the state.

(d) If the occupancy is offered, reserved, booked, arranged for, or otherwise facilitated in whole or in part by a room facilitator, the room facilitator shall demand and collect the tax from the occupant. The room facilitator shall remit the tax to the state.

7 New Paragraphs; Assessment of Additional Tax; Rental Facilitator; Room Facilitator. Amend RSA 78-A:11 by inserting after paragraph I the following new paragraphs:

I-a. If a rental facilitator required to collect and remit a tax under this chapter fails to make a return, no assessment shall be made except against the rental facilitator.

I-b. If a room facilitator required to collect and pay a tax under this chapter fails to make a return, no assessment shall be made except against the room facilitator.

8 Effective Date. This act shall take effect October 1, 2021.

LBA
21-0670
Amended 5/24/21

HB 15-FN- FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT #2021-1488s)

AN ACT relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

FISCAL IMPACT: [X] State [ ] County [X] Local [ ] None

	Estimated Increase / (Decrease)			
STATE:	**FY 2021**	**FY 2022**	**FY 2023**	**FY 2024**
Appropriation	$0	$0	$0	$0
Revenue	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	$0	$0	$0	$0
Funding Source:	[X] General	[X] Education	[ ] Highway	[ ] Other

LOCAL:

Revenue	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	$0	$0	$0	$0

METHODOLOGY:

This bill clarifies "operator" within the Meals and Rooms tax includes room facilitators and motor vehicle rental facilitators and that for each occupancy or motor vehicle rental being facilitated by one of these facilitators, they must collect and remit the Meals and Rooms tax to the State. The bill exempts from the definition of gross rental receipts or rent amounts paid by an operator to a travel agent as commission or compensation for the travel agent's services. To the extent facilitators exist that do not currently collect and remit the Meals and Rooms tax when room or motor vehicle rental transactions are facilitated, General Fund and Education Trust Fund revenue will increase by an indeterminable amount.

The Department of Revenue Administration indicates it could administer this change without additional expenditures.

The Department also states the statutory Meals and Rooms Tax distribution formula (RSA 78-A:26,II) requires an increased municipal revenue distribution if tax revenue increases, as may result from this bill's operation. The distribution of revenue pursuant to this formula has been capped in past budget bills, including for the FY20-FY21 biennium, but the formula will be fully effective again beginning in FY22 without legislative action to suspend its operation.

AGENCIES CONTACTED:

Department of Revenue Administration

CHAPTER 160
HB 15-FN - FINAL VERSION

9Apr2021... 0599h
05/20/2021 1488s

2021 SESSION

21-0670
10/08

HOUSE BILL *15-FN*

AN ACT relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

SPONSORS: Rep. Packard, Rock. 5; Rep. Major, Rock. 14; Rep. Almy, Graf. 13; Rep. Abrami, Rock. 19

COMMITTEE: Ways and Means

ANALYSIS

This bill adds and modifies definitions and requirements in the meals and rooms tax to include facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

CHAPTER 160
HB 15-FN - FINAL VERSION

9Apr2021... 0599h
05/20/2021 1488s

21-0670
10/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

Be it Enacted by the Senate and House of Representatives in General Court convened:

160:1 Meals and Rooms Tax; Definition; Gross Rental Receipts; Motor Vehicle Rentals. Amend RSA 78-A:3, VI to read as follows:

VI. "Gross rental receipts" means value received or promised as consideration to the owner of a motor vehicle ***and any rental facilitator*** for [~~rental of the vehicle, but~~] ***a rental agreement, including any fee, service, or other charge or amount required to be paid by the renter as a condition for the rental agreement. The term*** shall not include:

(a) Separately stated charges for insurance;

(b) Charges for damages to the motor vehicle occurring during the rental agreement period;

(c) Separately stated charges for motor fuel sold by the owner of the motor vehicle[~~.~~]***;***

(d) Amounts paid by an operator to a travel agent as commission or compensation for the travel agent's services.

160:2 Definition; Operator. Amend RSA 78-A:3, XIII to read as follows:

XIII. "Operator" means any person operating a hotel, charging for a taxable meal, or receiving gross rental receipts, whether as owner or proprietor or lessee, or otherwise. ***The term operator shall include a rental facilitator and a room facilitator.***

160:3 Definition; Rent; Room Facilitators Added. Amend RSA 78-A:3, XVII(a) to read as follows:

(a) The [~~consideration received~~] ***full retail price charged*** for occupancy valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property, or services of any kind or nature, and also any amount for which the occupant is liable for the occupancy without any deduction of any kind***, including any fee, service, or other charge required to be paid by the occupant to a room facilitator, except that the term rent shall not include amounts paid by an operator to a travel agent as commission or compensation for the travel agent's services***; and

160:4 Definition; Rental Agreement. Amend RSA 78-A:3, XVIII to read as follows:

XVIII. "Rental agreement" means an agreement by the owner of a motor vehicle to provide, for not longer than 180 days, the exclusive use of that motor vehicle to another for consideration, ***whether directly or indirectly, through a rental facilitator or otherwise.***

160:5 New Paragraph; Definition; Rental Facilitator. Amend RSA 78-A:3 by inserting after paragraph XVIII the following new paragraph:

XVIII-a. "Rental facilitator" means any person having any right, access, ability, or authority to offer, reserve, book, arrange for, remarket, distribute, broker, resell, coordinate, or otherwise facilitate rental of a motor vehicle to a renter, whether directly or indirectly, through an Internet transaction or any other means whatsoever.

160:6 New Paragraph; Definitions; Room Facilitator. Amend RSA 78-A:3 by inserting after paragraph XIX the following new paragraph:

XIX-a. "Room facilitator" means any person having any right, access, ability, or authority to offer, reserve, book, arrange for, remarket, distribute, broker, resell, coordinate, or otherwise facilitate occupancy to an occupant, whether directly or indirectly, through an Internet transaction or any other means whatsoever.

160:7 New Subparagraphs; Collection of Tax; Rental Facilitator; Room Facilitator. Amend RSA 78-A:7, I by inserting after subparagraph (b) the following new subparagraphs:

(c) If the rental of a motor vehicle is offered, reserved, booked, arranged for, or otherwise facilitated in whole or in part by a rental facilitator, the rental facilitator shall demand and collect the tax from the renter. The rental facilitator shall remit the tax to the state.

(d) If the occupancy is offered, reserved, booked, arranged for, or otherwise facilitated in whole or in part by a room facilitator, the room facilitator shall demand and collect the tax from the occupant. The room facilitator shall remit the tax to the state.

160:8 New Paragraphs; Assessment of Additional Tax; Rental Facilitator; Room Facilitator. Amend RSA 78-A:11 by inserting after paragraph I the following new paragraphs:

I-a. If a rental facilitator required to collect and remit a tax under this chapter fails to make a return, no assessment shall be made except against the rental facilitator.

I-b. If a room facilitator required to collect and pay a tax under this chapter fails to make a return, no assessment shall be made except against the room facilitator.

160:9 Effective Date. This act shall take effect October 1, 2021.

Approved: July 30, 2021
Effective Date: October 01, 2021

Amendments

Sen. Rosenwald, Dist 13
Sen. Giuda, Dist 2
May 14, 2021
2021-1488s
10/08

Floor Amendment to HB 15-FN

Amend the bill by replacing section 8 with the following:

8 Effective Date. This act shall take effect October 1, 2021.

Committee Minutes

SENATE CALENDAR NOTICE
Ways and Means

Sen Bob Giuda, Chair
Sen Lou D'Allesandro, Vice Chair
Sen Gary Daniels, Member
Sen Erin Hennessey, Member
Sen Cindy Rosenwald, Member

Date: April 14, 2021

HEARINGS

Monday	04/19/2021
(Day)	(Date)

Ways and Means	REMOTE 000	9:00 a.m.
(Name of Committee)	(Place)	(Time)

9:00 a.m.	**HB 15-FN**	relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.
9:15 a.m.	**HB 626-FN**	relative to historic horse racing.
9:30 a.m.		Presentation by Chris Shea of the Legislative Budget Assistant's Office
10:00 a.m.		Presentation by the Department of Revenue Administration

Committee members will receive secure Zoom invitations via email.

Members of the public may attend using the following links:

1. Link to Zoom Webinar: https://www.zoom.us/j/98490236731
2. To listen via telephone: Dial(for higher quality, dial a number based on your current location): 1-301-715-8592, or 1-312-626-6799 or 1-929-205-6099, or 1-253-215-8782, or 1-346-248-7799, or 1-669-900-6833
3. Or iPhone one-tap: +19292056099,,98490236731# or +13017158592,,98490236731#
4. Webinar ID: 984 9023 6731
5. To view/listen to this hearing on YouTube, use this link:

https://www.youtube.com/channel/UCjBZdtrjRnQdmg-2MPMiWrA
6. To sign in to speak, register your position on a bill and/or submit testimony, use this link:
http://gencourt.state.nh.us/remotecommittee/senate.aspx

The following email will be monitored throughout the meeting by someone who can assist with and alert the committee to any technical issues: remotesenate@leg.state.nh.us or call (603-271-6931).

EXECUTIVE SESSION MAY FOLLOW

Sponsors:

HB 15-FN

Rep. Packard	Rep. Major	Rep. Almy	Rep. Abrami

HB 626-FN

Rep. Abrami	Rep. Doucette	Rep. Graham	Rep. Lang
Rep. Gomarlo	Sen. Hennessey	Sen. Cavanaugh	Rep. Conley
Sen. Soucy			

Sonja Caldwell 271-2117

Bob J. Giuda
Chairman

Senate Ways and Means Committee

Sonja Caldwell 271-2117

HB 15-FN, relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

Hearing Date: April 19, 2021

Members of the Committee Present: Senators Giuda, D'Allesandro, Daniels, Hennessey and Rosenwald

Members of the Committee Absent : None

Bill Analysis: This bill adds and modifies definitions and requirements in the meals and rooms tax to include facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

Sponsors:
Rep. Packard Rep. Major Rep. Almy
Rep. Abrami

Who supports the bill: Chryssa Alexis (Enterprise Holdings), Rep. Almy, Rep. Major, Henry Veilleux (NHLRA), Stuart White

Who opposes the bill: John Olsen (Internet Association), Genevieve Strand (American Society of Travel Advisors), Steve DelBianco (NetChoice), Michael McLaughlin (Avail), Maura Weston (Turo), Stephen Shur (Travel Technology Association), Carl Szabo (NetChoice), Christopher Gilrein (TechNet), Alvin See, Tracie Robinson (Expedia Group)

Who is neutral on the bill: Carollynn Lear (DRA)

Summary of testimony presented:

Rep. Packard

- This is the third session this bill has been introduced. The first time, it was delayed due to the Wayfair decision. Last year, it was part of an omnibus bill that was vetoed.
- This bill was combined in the House with Airbnb. His bill as introduced only covered the car rental portion.
- A number of years ago, the legislature decided to apply the meals and rooms tax to a car rental.
- Turo and other companies got into the car rental business. They have a different platform than standard car rental companies like Enterprise, Hertz and Avis that have brick and mortar

stores and own their own cars. It is a different model whereby they facilitate people renting their cars through them. All they do is rent cars.

- This bill says that if they rent cars in NH, the same rules apply to them as to the brick-and-mortar stores. If the legislature eliminated the tax for car rentals, this would be a moot point, but as long as the meals and rooms tax applies to car rentals it should be applied evenly across the board. This is a matter of fairness.
- This is not a new tax. It is applying the existing tax to a different form of car rental.
- Any entity renting cars in NH should be charged the same tax.
- This company says they are a ride sharing company, but someone rented a car from Turo and it was $90 a day. They have insurance policies.

Sen. Giuda asked if there was any way to quantify how much revenues should be paid to the state that are being missed at this time.
Rep. Packard said he tried to calculate that a while back and at the time it was $5,000-7,000. We are not trying to discourage this type of industry. If the legislature eliminated the tax on car rentals, that would not bother him, but as long as it exists, it should be applied fairly to all who rent cars in NH. It is not going to generate millions of dollars. It is a matter of fairness. The law should be applied equally to all people.

Rep. Major

- The House spent a lot of time discussing the bill. It levels the playing field between online and retail facilitators of both car and room rentals. Meals and room taxes should be applied equally regardless of whether one's business model is in-person or online.
- This bill is not a new tax.
- House Ways and Means amended the bill to ensure that it does not apply to travel service agencies.
- It is applied to short term rentals, which is anything less than 185 continuous days.

Rep. Almy

- She sent screenshots from the Turo website to the committee. They make it clear that Turo is not an electronic billboard. They provide insurance for both driver and car owner. It provides roadside assistance and customer support. It dictates the cleanliness of the car. It deals with complaints and provides for easy cancellation. On its website it uses comments comparing it to Airbnb.
- The Airbnb part of the bill was uncontroversial when they added it to this bill because they deal with the same section of the meals and rooms tax statute.
- Both aspects of the bill are modernizing the language needed to apply the tax now that a lot of our commerce is online. If we do not, we are under constitutional threat because we are treating the same businesses differently and putting a tax burden on retail NH-based businesses that is not on the national online businesses.
- Airbnb is collecting the meals and rooms tax. They have many smaller competitors that we do not have the bandwidth to go after.
- This bill defines "facilitator" in the modern age. If you are collecting money in order to create a room or car rental and you do not collect and remit it under our law, the person you are collecting it from (the car owner, inn, or home) is liable for that money. If that person is caught by DRA, they must pay the back tax.

Sen. Daniels asked how much revenue we bring in on car rentals.

Rep. Almy said 10% of meals and room tax or about $8-9 million.

Carollynn Lear (DRA)

- The DRA has no position on HB15; however, it does address a long-standing meals and room tax situation. The NH Supreme Court case in NH v. Priceline is important to understanding this situation.
- The Meals and Rooms tax has always taxed room sharing and car sharing transactions. Under the statute these transactions clearly constitute taxable transactions.
- The Priceline case said DRA could not require online platforms to become licensed to collect the meals and rooms tax for the transactions that they facilitate. Therefore, each individual homeowner who rents their property using an online platform has to register as an operator with the DRA and must collect and remit the tax on those transactions.
- HB15 does not change taxability of the transactions it just says the platform not the homeowner is responsible for collecting the tax.
- DRA would license each platform as the operator instead of the thousands of homeowners who currently must become licensed.
- Audits and collections would be against the platforms. Their expectation is that would reduce the number of audits, returns, and licenses the department issues for these sharing transactions.
- The DRA is ready to administer HB15 with no additional appropriation required.
- HB15 takes effect 60 days after passage. They would suggest for taxpayer record keeping convenience that the effective date take place on the first day of a month. They want to give taxpayers time to prepare for this change. They suggest 60 days is too fast and believe Oct 1, 2021 would work better.

Sen. Giuda asked how much the value of revenues lost at present or that might accrue in the future is.
Ms. Lear said they really do not know. A large portion of the tax base, individual homeowners, are complying currently. The bill would not result in an increase in revenue, it just changes which taxpayer is responsible for remitting the tax. There is a group of unknown, noncompliant taxpayers who do not remit on their own currently, but it is unknowable.

John Olsen – Director for the Internet Association in the northeast.

- They represent a number of Internet platforms like Expedia, Turo, Airbnb, and others.
- There is no value in passing this bill in terms of revenue.
- It shifts responsibility to out-of-state Internet platforms. These platforms help NH residents make ends meet or supplement their incomes.
- This is a new tax. It applies not just to home sharing companies but to online travel agents. The bill was amended to remove taxation on commissions but does apply to service fees and the total consumer cost of renting through an online travel platform.
- With peer-to-peer car sharing, there are 400 current consumers in NH using the platform, using their personal vehicles. Turo and other car sharing platforms do not have fleets. The distinction between peer-to-peer car sharing and traditional rental companies is that these are personal vehicles.

Sen. Daniels asked at what point in time something becomes a fleet.
Mr. Olsen said he does not want to quantify what we see with car rental companies, but he would say several hundred.

Sen. Daniels asked if he bought 100 vehicles if he could fit into this area where he would not be taxed.
Mr. Olsen said he would avoid the tax, but that scenario seems unlikely.

Sen. Rosenwald said she looked at the Turo website and in addition to individuals renting out their cars, it also will facilitate transactions for independent car rental agencies. She asked how that does not make them a car rental agency.
Mr. Olsen said that is a new service he is unaware of. He said it probably is not a company at the level of Avis or Hertz.

Genevieve Strand – American Society of Travel Advisors

- They are concerned with the bill. It would impose new taxes on travel agency services.
- The average travel agency has laid of 60% of staff. Average business income in 2020 was down 82%. They question a tax increase on this decimated industry.
- While the bill exempts commissions paid to travel agents by the operators, any fees that travel agents charge their customers for a hotel or car rental booking in the state would be subject to new taxation.
- In 2019 45% agents charged serviced fee. These fees are charged for saving consumers time and money by helping them navigate a complex travel marketplace.
- This would place administrative burdens on these agencies.

Sen. Giuda said this tax would not be an additional burden on the company. It is levied on the renter of the vehicle.
Ms. Strand said the way their business model is set up, sometimes the travel advisors are the ones purchasing the inventory and packaging it to sell to clients. They would be caught up in those taxes because of the business model. They would have to register with the state, collect the tax and administer it to the state and that is not a small burden on a small business.

Michael McLaughlin – AVAIL

- AVAIL is a third party, peer-to-peer car platform.
- The basis of this attempt to increase taxation on individuals in NH or level the playing field. Is putting a $26.2 billion dollar company against people in the north country that might want to rent a car for the weekend or to get to the doctor. North of Concord it is hard to find Hertz or Avis.
- AVAIL lets a person who does not have a chance otherwise, to rent a car to get transportation.
- No one wants to put the individual in NH on the hook for the tax. The bill specifically exempts the individual from the liability of the tax. The bill says the tax must be collected from the platform.
- Individuals in NH who might want to rent that car should not have to register with the platform. Leveling the playing field can never be done when you are up against millions of dollars of marketing and fleet size.

Steve DelBianco - NetChoice

- NetChoice is a trade organization. Their members include Amazon, eBay, Expedia, Facebook, Turo, and other ecommerce companies.
- HB15 seeks to apply NH's meals and rooms tax to fees travelers pay to their travel agent. Those advisory services are provided at the time and place where the travel agent delivered

the services to the customer. That is typically days or weeks before the traveler shows up at the NH hotel where all tax is currently collected for the amount the hotel receives. This bill demands travel agents outside NH add this tax to their fees when booking travel in NH for a customer.

- A few years ago in 2018, after the Wayfair ruling, NH adopted the exact opposite policy.
- SB242, adopted in 2019 completely contradicts HB15.
- This bill tries to tax a travel agent outside NH providing travel services to customers outside NH. He asked how NH would enforce the bill against travel agents outside of the state.
- Wayfair is about sales tax not meals and room tax.
- He said the legislature contradicted its beliefs on interstate sales taxes and that undermines the NH attorney general's cases to protect NH businesses against foreign states.
- The same is true for that part of HB15 that requires peer-to-peer car sharing companies to add taxes. You can force a NH car or truck owner to pay meals and rooms tax on the amount they receive, but you cannot enforce the tax on extra fees charged on peer-to-peer car rentals outside of NH. Revenue will only be from NH residents, car-owners, and travel agents.

Maura Weston – Turo

- They are opposed to the bill.
- This captures all peer-to-peer car sharing activity.
- Their marketplace provides a service and an economic opportunity for NH car owners to earn a small amount of extra income. Their hosts earn on average, about $300 a month. This service can help drivers with transportation problems and provides a solution especially in rural areas.
- She asked the committee to think about the impact of this bill on NH citizens who are hosts, such as a college student who might need their car only a few days a week and who wants to rent it to offset debt, or someone who might need a pickup truck for a day.
- Neither Turo nor their hosts are car rental companies. They should not be taxed or regulated as one. Turo owns no vehicles. The vehicles are owned and shared by NH citizens. The amount someone pays for the car is set by the host.
- This is a government interference with the use of personal property. This would shut down the opportunity for peer-to-peer car sharing in NH.

Sen. Rosenwald said the website says Turo is primarily person to person, but rental companies can share their fleets by offering commercial rental insurance to guests. If a rental car company rents out their fleet through their own site, they would pay meals and rooms tax but if they advertise that same fleet on Turo, they would not pay the tax. She asked if that was correct.
Ms. Weston said the tax is imposed on individual using the vehicle. She is not familiar with how car rental companies work. HB15 shifts for those people who use a platform to collect and remit.
Sen. Rosenwald said that if a rental car company paying the tax, switches to advertising the same fleet on Turo they are avoiding taxation.
Ms. Weston said what she is getting at is two different business models. Rental car companies own and buy the cars. That is one business model. Peer-to-peer car sharing is a very different business model. The platform itself does not own the cars. Any fleet owner would have to be licensed in NH. They would be liable to the state of NH if they own a fleet.

Steve Shur – Travel Technology Assoc. President

- Represents Expedia, Priceline, Airbnb, and others.

- They are concerned about the tax implications for hotel rooms and car rentals booked on sites like Expedia and Priceline.
- He thinks the bill should be limited to just car sharing.
- This is an expansion of the meals and rooms tax to all transactions, short-term rentals, hotel rooms, and car rentals booked on online travel sites.
- NH is already getting all applicable taxes on hotels and car rentals that are booked via online travel sites.
- Because of Airbnb's agreement with the state as well as local realtors and property managers who are collecting the tax on behalf of the homeowners, NH is getting taxes on virtually all short-term rentals.
- He wants to focus on the transactions of hotel bookings via online travel sites as well as car rentals. Online travel sites do not buy hotel rooms, they are travel agents and charge the consumer a service fee, which would be subject to this tax under this legislation.
- When you book a room on Expedia, the price includes the room rate, taxes on the room, and a small service fee the travel agent charges the traveler. The hotel controls the price.

Sen. Giuda asked him to elaborate on his suggestion that we split out the two parts of the bill. Mr. Shur said the House Speaker's intent is to establish a new regulatory regime for Turo and peer-to-peer car sharing services. It was amended to include short term bookings via online platforms.

Chris Gilrein – TechNet in the northeast

- They are an industry organization that represents companies throughout the innovation spectrum including several peer-to-peer car sharing platforms and they are opposed to the bill.
- Peer-to-peer car sharing allows people to earn money on one of their biggest investments. It provides an opportunity to earn extra income by providing the marketplace for people to loan out their cars to others.
- This would levy a tax between neighbors simply because it was done on a platform.

Chryssa Alexis – Enterprise Holdings

- She is a NH resident and with Enterprise Holdings, she employs 400 people.
- Enterprise Holdings contributed $8 million in state tax revenues. They are heavily invested in NH.
- Enterprise supports equal rules for all rental transactions.
- This is about compliance and fairness.
- The way rental car transactions are made has changed. These platforms do not collect the tax and their users do not realize they need to collect and remit the tax.
- This is not a new tax. The platforms being asked to collect the tax do not actually pay the tax.

Henry Veilleux – NH Lodging and Restaurant Assoc.

- They sternly support HB15. It is long overdue. Many bed and breakfasts and small inns in NH compete with these platforms. They want the tax applied evenly. There are some not collecting the tax that the state is not aware of.

Speaker Packard

- If you go to your neighbor and borrow his truck, that does not come under the rooms and meals tax. If you borrow a truck from your boss, that does not come under the meals and

rooms tax. This applies to those who are renting their vehicles. It is a different platform. This should not be misconstrued.

Rep. Almy

- DRA has been collecting a lot of taxes from places not based in NH but have activities in NH.

sc
Date Hearing Report completed: April 22, 2021

SENATE CALENDAR NOTICE
Finance

Sen Gary Daniels, Chair
Sen John Reagan, Vice Chair
Sen Bob Giuda, Member
Sen Erin Hennessey, Member
Sen Chuck Morse, Member
Sen Lou D'Allesandro, Member
Sen Cindy Rosenwald, Member

Date: May 19, 2021

~~EXECUTIVE SESSION~~

Tuesday	05/25/2021	
(Day)	(Date)	
Finance	REMOTE 000	1:00 p.m.
(Name of Committee)	(Place)	(Time)

1:00 p.m. EXECUTIVE SESSION - BUDGET DELIBERATIONS

Members of the public may attend using the following links:
1. To join the webinar: https://www.zoom.us/j/91700661940
2. Or Telephone: Dial (for higher quality, dial a number based on your current location): 1-301-715-8592, or 1-312-626-6799, or 1-929-205-6099, or 1-253-215-8782, or 1-346-248-7799, or 1-669-900-6833
3. Or iPhone one-tap: 19292056099,,91700661940# or 13017158592,,91700661940#
4. Webinar ID: 917 0066 1940
5. To view on YouTube, click here: https://www.youtube.com/channel/UCjBZdtrjRnQdmg-2MPMiWrA

The following email will be monitored throughout the meeting by someone who can assist with and alert the committee to any technical issues: remotesenate@leg.state.nh.us or call (603-271-6931).

Deb Martone 271-4980

Gary L. Daniels
Chairman

Speakers

Name	Representing	Position	Testifing
Olsen John	Internet Association	Oppose	Yes
Strand Genevieve	American Society of Travel Advisors	Oppose	Yes
DelBianco Steve	NetChoice	Oppose	Yes
Lear Carollynn	NH Dept. of Revenue	Neutral	Yes
mclaughlin michael	Avail Car Sharing Service	Oppose	Yes
Weston Maura	Turo	Oppose	Yes
Shur Stephen	Travel Technology Association	Oppose	Yes
Szabo Carl	NetChoice	Oppose	Yes
Gilrein Christopher	TechNet	Oppose	Yes
Almy Susan	Myself	Support	Yes
Alexis Chryssa	Enterprise Holdings	Support	Yes
major Norman	Myself	Support	Yes
Veilleux Henry	NHLRA	Support	Yes
See Alvin	Myself	Oppose	No
White Stuart	Myself	Support	No
Robinson Tracie	Expedia Group	Oppose	No

Testimony

Sonja Caldwell

From:	Grover G. Norquist <GGN@atr.org>
Sent:	Thursday, April 15, 2021 11:05 AM
To:	Bob Giuda; Lou D'Allesandro; Erin Hennessey; Cindy Rosenwald; Gary Daniels; Sonja Caldwell
Subject:	Americans for Tax Reform Opposes HB 15, Tourism Tax Hike

April 15, 2021

To: Members of the New Hampshire Senate Ways & Means Committee
From: Americans for Tax Reform
Re: HB 15

Dear Senator,

On behalf of Americans for Tax Reform and our supporters across New Hampshire, I thank you for your public service in these challenging times. New Hampshire lawmakers and members of the committee have been staunch defenders of taxpayers across the Granite State during the pandemic, and we support your commitment to providing much-needed tax relief to individuals, families, and businesses.

Lowering the business profits tax and the business enterprise tax, eliminating the income tax on interest and dividends, and protecting taxpayers against efforts to impose income taxes and sales taxes would promote a strong economic recovery while also ensuring New Hampshire remains a competitive state that is attractive to businesses looking to expand, investors looking for growing economies, and families look for new opportunities.

Unfortunately, HB 15, which would impose a new tax on travel agent services, runs counter to these pro-taxpayer policies. This bill is a tax hike. It would expand the meals and rooms tax to agents, apps, and websites that help people book hotels and car rentals in New Hampshire, requiring them to collect the tax on fees required to offer these services. Meanwhile, taxes are already collected on the price agents arrange with a hotel.

Online Travel Agents, or OTA's - like Expedia, Travelocity, and others - make it easier for people to book hotels or other accommodations online. They attract travelers to New Hampshire by offering a variety of lodging options at competitive prices. As such, OTAs are great for restaurants, shops, and other local businesses, as they benefit from tourism.

By adding meals and rooms tax to service fees, anyone who books a hotel stay, or car rental, through a third party, will find New Hampshire becoming a more expensive place to visit. Not only would this tax increase directly hurt many services, it will dissuade visitors and make it more difficult for local businesses that benefit from tourism to recover from the devastating impact of COVID-19.

While this tax hike is guaranteed to increase the state tax burden, often these kinds of taxes fall short of revenue projections. Given the unique nature of the pandemic, and the uncertainty of economic recovery, especially for the hospitality sector, one would imagine revenues would be underwhelming. Attempting to take money from a beleaguered hospitality sector, and falling short of projections, may result in more pressure to increase other taxes down the road.

Lawmakers are making great progress by prioritizing much-needed pro-growth tax relief. Do not let House Bill 15 undermine your work. ATR opposes HB 15 and urges you to vote NO.

Sincerely,

Grover G. Norquist
President
Americans for Tax Reform

Sonja Caldwell

From: Capitol Insights Group <capitolinsightsgroup@gmail.com>
Sent: Friday, April 16, 2021 5:26 PM
To: Bob Giuda; Lou D'Allesandro; Erin Hennessey; Cindy Rosenwald; Gary Daniels; Sonja Caldwell
Subject: House Bill 15

Dear Sen. Giuda and Members of the Committee:

I am writing on behalf of AVAIL. AVAIL is an Internet based service that creates an opportunity for two people to share a car. It is an emerging technology that enables a person who may not need their car everyday to provide transportation for another person at a reasonable rate. The term used to describe this new way to find transportation is "peer-to-peer" car sharing. AVAIL urges that you and the committee vote HB15 "inexpedient to legislate".

House Bill 15 will impose New Hampshire's meals and rooms tax on peer-to-peer car sharing under the guise that it "levels the playing field". It is hard to imagine that the likes of Hertz, Avis or Enterprise are threatened by citizens of New Hampshire sharing their cars via an Internet portal. In fact, Enterprise is the parent company of National Car Rental and Alamo Car Rental with reported gross sales in 2019 of $25.9 billion dollars*! Enterprise has its own car sharing service called "Enterprise Car Share" with access to thousands of cars and millions of dollars of marketing, how can they think the playing field can be leveled when they already have a huge advantage?

Peer-to-peer car sharing is one idea that can help New Hampshire citizens who live in areas where there is little access to third party transportation. Peer-to-peer car sharing can be the answer to weekly shopping, doctor's visits or visiting friends.

Peer-to-peer car sharing is a 21st Century innovation that needs time to grow. Someday it could be a source of revenue to the state and imposing a new tax may be the way to go, but today is too soon to reign in an opportunity by taxing the transaction between New Hampshire citizens. Any revenue from taxing peer-to-peer rentals will be negligible as the industry is in its infancy.

Thank you for your service to the state.

Michael McLaughlin, Esq.
Capitol Insights Group
16 Low Avenue
Concord, New Hampshire 03301
(603) 226-9600
(603) 491-1089

*wikipedia

BOOKING HOLDINGS

April 19, 2021

Senate Ways and Means Committee
New Hampshire General Court
107 Main St
Concord, NH 03301

Re: Opposition to HB15, a new tax on travel services

Dear Committee Members:

On behalf of Booking Holdings Inc. ("Booking"), I write in opposition to HB 15 which would impose a new tax on the fees consumers pay for the services provided by Online Travel Companies ("OTCs").

The travel and hospitality industry accounts for nearly 40 percent of job losses due to the COVID-19 pandemic and reinvigorating the sector is critical to jumpstarting the economy. Now is not the time to add new burdens on an industry that is working hard to recover.

Every day, millions of customers search on OTCs like Booking and Priceline to compare hotel rooms, flights and other travel options. Booking does not own or operate, control, buy or sell hotel rooms; our services drive business to hotels and travel destinations by helping consumers find and book the travel options that suit their needs.

This would be a new tax imposed on companies that are supporting New Hampshire's travel industry. In finding that existing New Hampshire law does not tax the OTCs' fees for their travel services, the New Hampshire Supreme Court explained the important function of OTCs in the tourism industry. For example, the Supreme Court explained, "OTCs 'attract customers by aggregating information that allows travelers to sort through hotels and book a room on a central website.'" State of New Hampshire v. Priceline.com, et al, 172 N.H. 28, 30 (2019) (internal quotations omitted). Importantly for New Hampshire's local hotels, the "OTCs 'benefit hotels, allowing them to reach a market that they otherwise would not reach.'" Id. New Hampshire benefits as its hotels and lodging establishments of all kinds enjoy global visibility to travelers around the world, expanding their potential customer reach without expending marketing and advertising resources. Importantly, the OTCs' websites and customer base allow hotels to fill rooms that would otherwise go empty. As a result of filling additional rooms, New Hampshire receives tax money on those room rentals that it would not have but for the OTCs' services.

These are unprecedented times for the entire travel and tourism sector due to Covid-19. We respectfully urge you to reject this measure.

Sincerely,

Emmett O'Keefe
Public Affairs, Booking Holdings Inc.

Sonja Caldwell

From:	SUSAN ALMY <susan.almy@comcast.net>
Sent:	Sunday, April 18, 2021 5:28 PM
To:	Bob Giuda; Cindy Rosenwald; Lou D'Allesandro; Gary Daniels; Erin Hennessey; Sonja Caldwell
Cc:	Norman Major; Patrick Abrami
Subject:	Turo and HB15
Attachments:	HB15 - how Turo works according to its website.pdf
Importance:	High

We found out too late last year that you all had been lobbied extensively by Turo and some of its smaller start-up competitors. I hope you will look at these screenshots from the Turo.com website, taken today. Turo is NOT an electronic billboard. Turo provides for insurance for both driver and car owner, 24/7 roadside assistance and customer support, it dictates the cleanliness of the car, it deals with complaints, and it provides for easy cancellation. It advertises like this on the web:

" Car rentals near you | **Turo** *https://turo.com/us/en/car-rental/united-states* Turo Go remote unlocking. Find, book, and unlock cars instantly in Los Angeles , ..."

and in the attached screenshots, it uses comparisons to AirBnB.

Three years ago AirBnB signed an agreement with the DRA to collect and remit the full taxes owed by their customers that used them to book hotel/private rooms. Under NH law, if AirBnB or one of its hundreds of smaller competitors or the local real estate agent who rents out second homes for their owners does not collect and remit the M&R tax, the room/house owner is liable for the payment, and any penalties. I know, somehow DRA found out a Lebanon resident was renting out his back room to visiting nurses via the DHMC real bulletin board, and landed on him to register, collect and remit back taxes. He was furious! and I had to tell him that if he doesn't use a facilitator, they can do that. In fact, it would be an unfair tax if they couldn't.

The same is true of car rentals, and Turo is a car rental agency, using a new technology which disrupts traditional car rental agencies but which should NOT have a tax advantage for the same function just because it is on-line.

Just as the smaller competitors of AirBnB should not have a tax advantage over AirBnB or the local hotels and inns, simply because we can't afford to sue each of them.

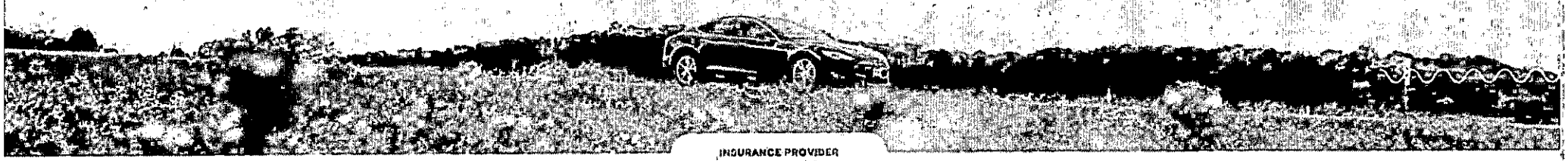
HB15 is totally bipartisan. It is providing a constitutional fix by updating our decades-old definition of a facilitator - formerly a brick-and-mortar local business - to the modern age. It is also protecting the room, house, hotel and inn owners from being legally landed on by the DRA for non-remittance - if the on-line site defaults, under this bill, the DRA goes after the defaulter, not the place it promised to facilitate for.

We need you to consider what this bill actually does. Thank you.

Way better than a rental car

Book unforgettable cars from trusted hosts around the world

Where: City, airport, address or hotel | From: 04/20/2021 10:00 AM | Until: 04/23/2021 10:00 AM



INSURANCE PROVIDER

Liberty Mutual INSURANCE

Hit the road confidently

Safe car sharing while navigating COVID-19

Clean & disinfected cars

The enhanced cleaning policy requires hosts to clean & disinfect their cars so you can feel good behind the wheel.

Contactless check-in options

Maintain physical distance during check-in and checkout with a variety of remote access options.

Flexible cancellations

Cancel for free up to 24 hours before your trip starts. Plans can change and it helps to be flexible when they do.

Type here to search

4:14 PM 4/18/2021



Mazda MX-5 Miata RF 2018
4.98★ (99 trips) All-Star Host

$80/day



FIAT 500 2012
4.88★ (71 trips) All-Star Host

$30/day



Dodge Caravan 2007
4.81★ (94 trips)

$42/day

Skip the rental counter

Discover the world's largest car sharing marketplace

Endless options

Choose from hundreds of models you won't find anywhere else. Pick it up or get it delivered where you want it.

24/7 customer support

Rest easy knowing that everyone in the Turo community is screened, and 24/7 customer support and roadside assistance are just a click away.

Drive confidently

Drive confidently with your choice of protection plans — all plans include varying levels of liability insurance from Liberty Mutual provided through Turo Insurance Agency and physical damage protection.

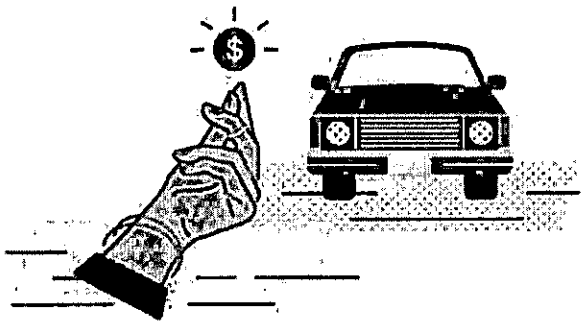
Book the perfect car

...up to $600 [per month]" "[Turo] is like Airbnb, but for real people's cars!"

Share your car, earn extra cash

Cover your monthly car payments or simply earn some extra cash by sharing your car on Turo whenever you're not using it.

You're covered with up to $750,000 in liability insurance from Liberty Mutual, and your car is contractually protected against theft and physical damage.*



Learn more

* All Liberty Mutual liability insurance in the US is offered through Turo Insurance Agency. Terms, conditions, and exclusions apply.

Let your car work while you finally take that vacay.

Share your car whenever you're not using it and earn an average of $706 per month◎ on Turo, the world's largest car sharing marketplace.

Get started

INSURANCE PROVIDER Liberty Mutual. INSURANCE



How sharing your car works

① List your car for free

Share your truck, sports car, or anything in between. Listing takes about 10 minutes and is free — no sign-up charges, no monthly fees.

② Set your price & rules

Lay your own ground rules and customize when your car is available. Set your own daily price, or let Turo automatically adjust your price to maximize your earnings.

③ Welcome your guests

When a guest books your car, you'll confirm where and how to hand over the keys before the trip.

Check your guest in with the Turo app, then sit back and relax until the trip is over.

④ Sit back & earn

Get paid via direct deposit within three days after each trip. You'll earn 60% – 85% of the trip price, depending on the vehicle protection plan you choose.



Get all your questions answered in the Help Center for hosts.



You're covered

$750,000 liability insurance

With each protection plan, you're covered with up to $750,000 in liability insurance coverage from Liberty Mutual secured through Turo Insurance Agency.

Physical damage protection

Choose from a range of protection plans, each with a different level of contractual reimbursement from Turo in the unlikely event your car is damaged, stolen, or vandalized during a trip. Pick the plan that's right for you — spring for top-tier protection or pocket more earnings with a lighter plan.

Learn more about protection plans

We've got your back

Safe & trusted community

Turo screens all guests before allowing them to book, so you can rest easy knowing your car is in good hands.

24/7 customer support

24/7 customer support is just a click away, and your guests have easy access to Turo roadside assistance.

Two-way reviews

Both hosts and guests review each other after every trip, so you can see your guests' reviews before hosting them.

Sonja Caldwell

From: Tracie Robinson (ELCA) <trarobinson@expediagroup.com>
Sent: Tuesday, April 20, 2021 12:17 PM
To: Bob Giuda; Lou D'Allesandro; Erin Hennessey; Cindy Rosenwald; Gary Daniels; Sonja Caldwell
Subject: Yesterday's Hearing on HB 15
Attachments: HB 15 Letter of Opposition - FINAL.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Chair Giuda, Vice Chair D'Allesandro, and Members of the Committee on Ways and Means,

I am writing on behalf of Expedia Group to clarify a couple of points that were made during yesterday's hearing on HB 15. First, not all online travel agencies "buy blocks" of hotel rooms and resell them. Expedia Group certainly does not. As I noted in my written testimony (attached again for your convenience), Expedia Group is not a room reseller. We never control room inventory, price, or occupancy. We bring travelers and lodging establishments together and facilitate reservations, but we do not have access to or control over hotel rooms or short-term rental units.

In addition, HB 15 would extend the meals and rooms tax to a service fee. This fee—which is not for the rooms or meals themselves, but rather, for the promotion of local accommodations and the processing of reservations—has not been subject to New Hampshire's M&R tax in the past. This is why some speakers yesterday described the bill as a new tax. The taxes that were referenced during today's hearing, including in Rep. Almy's example of a constituent not paying tax on his rentals, are occupancy taxes. These taxes are a traditional subject of the M&R tax. The commission charged by New Hampshire-based travel agents and Internet travel companies such as Expedia Group is not.

Thank you so much for the opportunity to listen to yesterday's hearing. I hope the information above is helpful as you consider HB 15. Please contact me if I can be of assistance in any way.

Respectfully,

Tracie Robinson
Regional Government and Corporate Affairs Manager
350 Fifth Avenue
Empire State Building Suite 7220
New York, NY 10118
trarobinson@expediagroup.com
646-530-3965

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April 19, 2021

Honorable Robert Guida, Chair
Senate Ways & Means Committee
New Hampshire General Court
107 Main St
Concord, NH 03301

RE: Opposition to HB 15

Dear Chairman Guida:

Internet Association's mission is to foster innovation, promote economic growth, and empower people through the free and open internet. The internet creates unprecedented benefits for society, and as the voice of the world's leading internet companies, we ensure stakeholders understand these benefits.

IA respectfully opposes **HB 15** that imposes a **new tax** on online travel companies and agents (OTCs and OTAs) and includes peer-to-peer carsharing on digital platforms under the definition of taxable motor vehicle rentals in the state meals and rooms tax.

HB 15 would require the rooms and meals tax to be collected on the total amount the consumer pays which means this **new tax** would apply to the service fees charged by travel platforms and represents a **new tax** on travel agent services in New Hampshire. This proposal is a step in the wrong direction as New Hampshire's tourism industry looks to recover from months of inactivity brought on by the COVID-19 pandemic. Applying the meals and rooms tax to the fees charged by travel agents will have the opposite of the intended effect of raising revenue. Travel agents are the engine that help steer travelers to New Hampshire, as well as other states. Data shows that 40 percent of travelers who visit an online travel site do not have a destination in mind. Taxing online and community travel agents will serve as a disincentive for them to steer travelers to New Hampshire.

Language in **HB 15** also seeks to conflate peer-to-peer carsharing with renting a motor vehicle from a licensed rental company. In fact, carsharing platforms do not own or operate a single vehicle, nor do they take possession or control of a consumer's personal vehicle. Carsharing platforms are digital marketplaces that connect New Hampshire residents to each other for the purposes of monetizing the practice of loaning a personal vehicle to someone in need. By utilizing one of the costlier expenses to a household in the state of New Hampshire, consumers can supplement their incomes by turning an expense into an asset. Additionally, it does not

make sense to regulate carsharing platforms like Turo as if they were full-fledged rental car companies – since these platforms do not own a fleet of cars, and do not generally have rental desks or parking lots in airports or at train stations.

HB 15's proposed language generates new taxes and costs for residents of the state by creating marketplace liability for peer-to-peer platforms and forcing OTCs and OTAs to raise prices to compensate for additional taxation. Imposing new costs on residents for minimal state gain is akin to the attempt in 2009 to expand the Hotels and Rooms Tax to campsites. The so-called "Tent Tax" not only resulted in immediate public outcry, but revenue achieved through the tax on campsites fell far below projections. This wildly unpopular tax was repealed the very next year.

For these reasons and more, Internet Association strongly encourages you not to advance **HB 15** as the residents and businesses of New Hampshire seek to financially recover from the devastating impacts of COVID-19. I welcome any questions you may have regarding IA's position on this bill and can be reached at olsen@internetassociation.org or 518-242-7828.

Very truly yours,



John Olsen
Director, State Government Affairs Northeast Region

Cc: Senate Ways and Means Committee Members

TURO

April 18, 2021

Chairman Bob Guida
Senate Ways and Means Committee
The New Hampshire General Court
107 North Main Street
Concord, NH 03301

RE: HB 15, relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies

Chairman Guida and members of the Committee, my name is Maura Weston and I am here on behalf of Turo, an internet-based, peer-to-peer car sharing marketplace and the New Hampshire hosts that share their car on the platform. Thank you for the opportunity - and privilege - to appear before you today. I am here to express Turo's opposition to HB 15 because it imposes new taxes along with new regulatory burdens on those who engage in peer-to-peer car sharing.

Turo's peer-to-peer car sharing marketplace enables everyday New Hampshire citizens to share their personal car with their neighbors and members of their community.

During these difficult, pandemic stricken times, Turo provides an economic opportunity that allows New Hampshire car owners to earn extra income to help cover the high cost of car ownership or lessen the burden of credit card debt, student loans, or even medical bills - while providing drivers in search of mobility option, a solution.

New Hampshire residents are the ones who ultimately benefit by the having this mobility option. Just in the last few weeks, we've seen price gouging by rental car companies due to the rental car supply shortage. This has forced travelers to pay astronomical prices for the most basic rental car option. The consumers of New Hampshire deserve a variety of affordable transportation options, including peer to peer car sharing.

To be clear, in contrast to rental car companies, Turo owns no vehicles whatsoever. However, the men and women hosting cars on our marketplace do own vehicles. They own electric cars and hybrids; family station wagons and work trucks; cars that take children from school to soccer practice; and SUVs that go on family road trips. *These cars* are not owned by a giant corporation that buys cars, rents them out, and then sells them at a production line-like cadence. *These cars* are owned by a network of moms and dads, students and workers that make up the very fabric of our peer-to-peer car sharing marketplace.

HB 15, as passed by the House, creates a new tax on New Hampshire citizens who choose to share their car. This legislation captures **all** peer-to-peer car sharing activity in the definitions of "gross rental receipts" and "rental agreement" whether the transaction is through a rental facilitator or otherwise. HB 15 expands the tax base to which the Rooms and Meals tax applies. Additionally, HB 15 establishes a new category of entities required to collect and remit the tax, such as Turo.

In addition to creating new taxes, HB 15 creates burdens and barriers to entry due to business licensure requirements and other administrative requirements that flow from the jurisdiction of the Department of Revenue. For those simply wishing to share their personal vehicle to help cover the rising costs of personal vehicle ownership the regulatory burdens are simply too great. For example, NH RSA 78-A:4 requires each "*operator*" to register with the Department a name and address of "each place of business within the state" to obtain a license. Under NH RSA 78-A:4,I-a "The license shall be conspicuously posted in a public area upon the premises to which it relates." Further NH RSA 78-A:4,III states: "No person shall engage in ... renting motor vehicles without first obtaining the license required by this section. The license is non-assignable and cannot be transferred. Any person who fails to register or obtain a license as provided in this section shall be subject to the penalty provisions of RSA 21-J:39." NH RSA 21-J:39 includes criminal penalties.

Even if the sponsor of this bill seeks to hold only facilitators accountable for tax liability under new paragraph 7, *for those individuals who share their vehicles via a platform*, the statutory and regulatory requirements apply to all who engage in peer-to-peer car sharing, whether the individual offers to share their car by a word of mouth or offers via an Internet based platform.

For a NH citizen the burdens are likely to great to choose to engage in peer-to-peer car sharing. HB 15 would, for all practical purposes shut down peer to peer car sharing in New Hampshire. For Internet based platforms, such as Turo, the statutory and regulatory requirements raise issues relative to compliance and enforcement.

If the legislature is in search of an appropriate way to regulate peer-to-peer car sharing, we propose consideration of the National Council of Insurance Legislators (NCOIL) 2019 model bill. The NCOIL model was thoroughly negotiated and provides for a holistic regulatory framework. Unlike the model bill, HB 15 represents a piecemeal approach is punitive to New Hampshire citizens.

Chairmen Guida and members of the Committee, I urge you to consider the taxes and burdens imposed by this legislation on your constituents sharing their cars. Think about the college student who may only need to use a car two days a week for an internship and wants to offset a bit of their debt. Or, think about the family who is cleaning out their basement and would like to share a pickup truck for a day, but otherwise can't afford one. Or think about the retiree on a fixed income who doesn't need to use their car every day of the week and could use a small bit of extra money to offset their household bills.

Thank you for the opportunity to appear before you today. We encourage you to continue to hold the line on taxes in New Hampshire and recommend that HB 15 not move forward.

Sonja Caldwell

From: Himanshu Desai <dickydesai@gmail.com>
Sent: Monday, April 26, 2021 11:07 PM
To: Bob Giuda; Lou D'Allesandro; Erin Hennessey; Cindy Rosenwald; Gary Daniels; Sonja Caldwell
Subject: Lodging Tax collection by Online Travel Agencies

Respected Members of Ways & Mean Committee,

For too long, online travel agencies have been dishonest about providing detailed break down of how their customers are charged for Room Charges, Rooms & Meal Taxes and their service fees by bundling as "FEES'.

In past 10 years, online travel agency booking has jumped from 20% to 80%. By not properly declaring breaks down of their charges, States are loosing huge amount of revenue in Rooms and Meals tax. This results in loss in tourism revenue which impacts other tourism promotion budgets and eventually state looses further revenues.

Most of the states has recognized this problem and forced OTA's to be held responsible for collecting rooms and meals tax. New Hampshire should also close this loophole by passing this bill. It has been long time coming.

OTA's has been using Opaque model (Name your price- Priceline) to hide the true cost of room sold from state tax agencies for long time. In the beginning it was very small percentage of revenue but over the years majority of bookings are re-routed through Expedia Agoda, Priceline, Booking.com and these travel agencies has been totally dishonest about their online Sales model by bundling services and fees. If Hotels did this in our state, they would be subject to audit, fines and penalties. These OTA's has been using the excuse of Internet business as work around to evade taxes and thereby declining revenue steams for States.

For example: They take hotel room inventory for $85 and sell it to their online guest at $125. They bundle their travel agent commission and fees on top of $125. Hotels are only allowed to charge OTA credit card $85 plus the R&M tax. When OTA has collected lot more from the guest. State of NH should have been collecting R&M tax on $125 NOT $85. Imagine how much Room tax revenue has been lost over the years as online reservation has increased by 300% to 400%.

Please stop this by long overdue bill and restore state rooms and meals tax revenue.

Dicky Desai
NH Innkeeper for past 25+ Years
Mobile: +1 603 494 6503
dicky@desainh.com

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expedia group™

April 19, 2021

The Honorable Bob Giuda, Chair
The Honorable Lou D'Allesandro, Vice Chair
Members of the Senate Ways and Means Committee
State of New Hampshire
New Hampshire State House
107 N Main Street
Concord, NH 03303

Dear Chair Giuda, Vice Chair D'Allesandro, and Members of the Committee on Ways and Means:

I respectfully urge you to oppose House Bill 15, which would impose a new tax on online travel services, hurt small businesses, and impede the recovery of the travel and tourism economy in New Hampshire. Not only is this new tax unnecessary and harmful to both businesses and New Hampshire consumers, but it is also being considered at the worst possible time—just as COVID-19 vaccines become widely available and consumers look to travel again after a year of living in uncertainty, isolation, and economic turmoil. If passed, HB 15 would kick New Hampshire's second-largest industry when it's down.

Room facilitators,[1] more commonly known as online travel agencies, provide a critical service to travelers, our hotel partners and vacation rental partners, and the destinations we market. Hotels voluntarily use our services because we market their properties on a global platform, helping them reach new travelers and fill rooms that would otherwise remain vacant. For example, an out-of-state visitor planning a trip to Concord might assume there is a Holiday Inn Express or Doubletree in the city and call the hotel chains' 24-hour reservation line to complete their booking. There is a much smaller chance that they would have heard of an independent boutique hotel, such as The Centennial in Concord, without the help of an online travel agency that displays multiple properties in response to a geographic search, or without calling a brick-and-mortar travel agent for recommendations on where to stay.

Expedia Group brands shine an international spotlight on small businesses like The Centennial. We connect them to a world of potential travelers on over 200 travel booking sites in more than 70 countries, allowing them to transact business in foreign languages and currencies, and to be displayed side-by-side with some of the biggest hotel chains in the world. In an industry dominated by a few enormous, Goliaths, we help the Davids compete on a level playing field. This model helps travelers, hotels, homeowners, and the many other tourism-related industries, which are vital to a state's economy, including restaurants, museums, arts venues, transportation companies, excursion providers, and others. In exchange for our investments in creating and maintaining this international platform that markets New Hampshire to the world and helps our hotel partners and travelers, we charge a service fee to the traveler.

Expedia Group is more than just a room listing platform; we are a true and dedicated partner to our hotel customers. For example, using the newly launched *Conversations* tool in the Expedia

[1] "Room facilitators" is the term used in the proposed legislation.

Group Partner Central portal, a hotel can engage with their guests from the moment of booking, allowing them to offer superior service. By utilizing this, among other tools, one of partners was able to increase their revenue by 35 percent and improve their average daily rate by 14 percent year over year. For that hotel, and for hotels across New Hampshire and the globe, Expedia Group has local, multi-lingual teams on hand with relevant knowledge and support to help them reach your business goals. The truth is, our service fee makes it possible for us to offer millions of travelers the options they desire, *and* it helps us deliver the tools and support our hotel partners need.

One common misconception among supporters of bills like HB 15 in other jurisdictions is that our companies "re-sell" or "rent" hotel rooms. We do not buy "blocks" of rooms. We never own rooms, control occupancy, or carry any inventory risk if rooms go unsold for a given night. Room rates are set by the hotels themselves, and the hotels are always in control of their inventory and occupancy.

Another common myth is that taxes are going "unpaid" under this fee-for-service model. This is simply false. Expedia Group passes on to the hotel the negotiated room rate that we collect from the customer up front, plus a tax recovery charge for taxes due on that hotel stay so that the hotel can then remit it to the appropriate taxing jurisdiction as required by law. There is no "tax loophole" here to be closed. This is simply a talking point used to make a new tax on services palatable. As for any claim that we are collecting tax money from our customers and preventing it from being remitted, this too is false. In fact, every single court that has ever considered this question has found this claim to be untrue.

Applying the meals and rooms tax to the fees charged by online travel companies will have the opposite of the intended effect of raising revenue. Widely known and trusted online travel agencies are the engines that help drive travelers to New Hampshire. Imposing new taxes on these service providers would incentivize them to steer travelers towards other states that do not levy onerous taxes on travel services.

Simply put, a new tax on travel services would make it harder for the New Hampshire travel economy to recover from the COVID-19 pandemic by making it harder for online travel agencies to draw travelers to the state. Indeed, this new tax simply is not needed for an industry that generated $80 million in annual tax revenue before the pandemic.[2] Allowing this industry to rebound, rather than saddling it with a new tax, is the best path to recovery.

I urge you to protect local tourism and reject the creation of new taxes on travel in New Hampshire.

Sincerely,

Tracie Robinson
Regional Manager, Government and Corporate Affairs

[2] https://www.visitnh.gov/industry-members/industry-resources/research/travel-impacts

Sonja Caldwell

From: maurаweston@comcast.net
Sent: Friday, April 30, 2021 8:19 PM
To: Bob Giuda; Lou D'Allesandro; Erin Hennessey; Cindy Rosenwald; Gary Daniels
Cc: Griffin Roberge; Sonja Caldwell
Subject: Answer to question regarding HB 15

Good evening,
I wanted to follow up with each of you regarding a question that Senator Rosenwald asked me during the public hearing on HB 15, relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies. Senator Rosenwald asked if "independent car rental agencies" were listing vehicles on Turo's platform in order to avoid taxation: Although at the time of the hearing my understanding was that Peer to Peer Car Sharing is a very different model than traditional rental car companies, I was not aware that independent rental car agencies were using the Turo platform. I learned from my client, Turo, that some small "mom and pop" independent car rental agencies list their cars on Turo's platform. However, it is with the intent of generating a greater number of hits when a search is done on the Internet for rental cars. This is a marketing technique. If one chooses to "rent" a car through an independent car rental agency, the process of renting that vehicle is handled by the car rental agency. That rental agency would be licensed as such and would collect and remit all applicable taxes and fees as a car rental agency. These independent car rental agencies are not Turo car sharing hosts.

On behalf of Turo, I continue to ask that you not advance HB 15.

Please let me know if I can answer any additional questions for you.

Best,
Maura

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MM Weston & Associates, PLLC
PO Box 990
Concord, New Hampshire 03301

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NetChoice *Promoting Convenience, Choice, and Commerce on The Net*

Steve DelBianco, President and CEO
1401 K St NW, Suite 502
Washington, DC 20005
703-615-6206
www.netchoice.org

Hearing date: April 19, 2021

Senator Bob Giuda, Chairman
Senate Ways & Means Committee
New Hampshire State Senate

RE: ***Opposition to HB 15 – Creating a New tax on travel agents and car sharing services***

Dear Chairman Giuda and members of the committee,

We ask you **not** advance HB 15 as it creates a new tax on services provided by travel agents and online travel companies for researching, comparing, and booking rooms for travelers, and for New Hampshire residents who share their cars and trucks.

Cities and states favor hotel and rental car taxes since they fall mostly on visitors – not on residents and voters. But under this new language, this approach would backfire since the new service tax would be paid *only* by New Hampshire citizens – *not by travelers* from out-of-state.

Imposes a new tax on New Hampshire citizens

Today, New Hampshire does not impose sales tax or lodging tax on service fees charged by travel agents. These service fees compensate travel agents for researching and comparing available hotel options, booking the room, and handling payment to the hotel. This new language would impose a new tax on these service fees that travelers pay to travel agents and online travel companies, a tax that is passed on to your constituents.

The new tax created by HB 15 will undermine New Hampshire's effort to protect state businesses from out-of-state tax collectors

Governor Sununu said: "As Governor, I am going to do everything in my power to fight this outrageous attempt to force New Hampshire's businesses to collect out of state taxes."[1] The Governor was referring to the US Supreme Court case *South Dakota v. Wayfair*,[2] which tested the longstanding *Quill* ruling that states can only impose sales tax on businesses with a physical presence in the state.

New Hampshire's amicus brief argued that states should not be able to force out of state businesses to collect and remit taxes. While the state lost when the Supreme Court reversed the *Quill* standard, the underlying US Constitutional Commerce Clause protections against under burdens remain.

Today, more than ever, New Hampshire should stand-up to stop tax collectors from California, New York, or Massachusetts from harassing New Hampshire businesses that have no physical presence in those states.

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[1] Press Statement, Gov. Chris Sununu, *New Hampshire to Fight Internet Sales Tax* (Jan. 31, 2018)

[2] *South Dakota v. Wayfair Inc. et al*, Case No. 3:2016cv03019 (S.D. Dist. Ct. May 15, 2016).

"As Governor, I am going to do everything in my power to fight this outrageous attempt to force New Hampshire's businesses to collect out of state taxes."

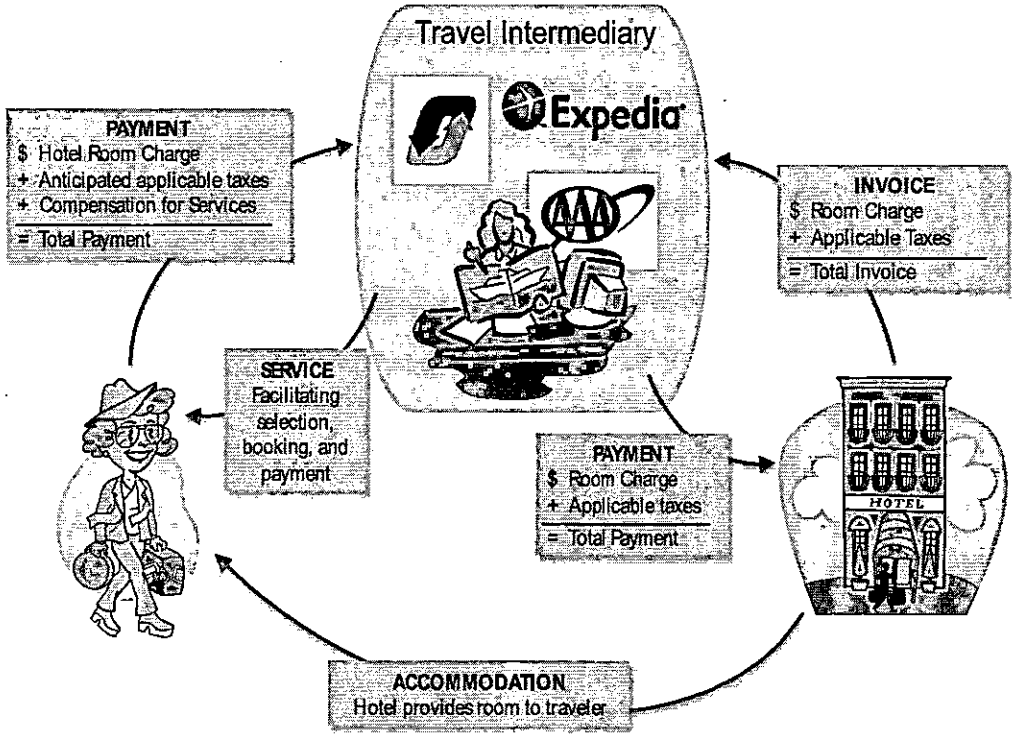
- Governor Sununu referring to Wayfair v South Dakota

While the new tax supporters say that state lines are no barrier to tax collection by empowering New Hampshire tax collectors to impose taxes on online car-sharing platforms that have no presence in New Hampshire. This encourages foreign states to show that even New Hampshire's legislators think that states *should* be able reach across borders for tax collection purposes and that the US Supreme Court was right to overturn *Quill*.

New Hampshire should protect its businesses from tax collectors across the country that are trying to force New Hampshire businesses to travel to those states to defend themselves in foreign state courts.

Most travel agents and travelers use online services to research, compare, and book travel

From a decade of working on this issue in states, it's clear there is some misunderstanding about travel reservation services and taxes. The chart below shows the flow of services, taxes, and payments in a typical transaction where a traveler uses a travel agent or online travel company to research and book a hotel reservation.



As shown in the chart, travel agents and online travel companies are providing a *service* to travelers. These services include comparisons of rates and amenities at multiple hotels, plus facilitation in making the reservation, processing the payment, and sending charges and applicable taxes to the hotel operator. Clearly, this facilitation service is distinct from the room provided by the hotel where the traveler eventually stays.

Creates a new tax on travel service fees that would only apply when *New Hampshire* citizens book their travel

A new tax imposed on booking service fees by the "facilitator" language would impact only New Hampshire citizens and businesses. That's because of existing rules for determining the source jurisdiction for taxable services – when a tourist uses a travel service, the reservation service fee is sourced to the traveler's home location – not to the traveler's destination.

For example, say two tourists are booking a hotel room in New Hampshire. One lives in Massachusetts, the other in Conway. The Massachusetts tourist would *not* pay the tax created by this new language when they booked through a travel agent since they received their online booking services outside of New Hampshire.[3] But, the tourist living in Conway who books through a travel agent *would* pay the tax created by the "Gross rental receipts" definition.

This new tax would therefore only apply to services provided to New Hampshire-based travelers. The tax would *not* apply to service fees paid by out-of-state travelers booking New Hampshire hotels.

Allows tax collectors to levy their occupancy tax on more than just hotel rooms

New Hampshire travel agents routinely create packages that bundle hotel rooms, food, travel, and events into one price. But the definition of Gross rental receipts creates a new tax on all kinds of goods and services when included in travel and vacation packages:

- taxi from the airport to the hotel
- food served at a hotel restaurant
- wine tastings

A new tax on service fees would only be collected by New Hampshire-based travel websites

The requirement to collect this new tax on booking services could *only* be enforced against travel agents and websites that have a physical presence in New Hampshire.

As noted above, out-of-state travel agents and websites already collect and remit lodging taxes when they make payment to the New Hampshire hotel operator. But out-of-state travel agents would not be required to collect this new tax on service fees for providing reservation services at the time that travelers book their hotel.

To consider another example, say that a West Virginia tourist uses a West Virginia travel agent to book a New Hampshire hotel room. West Virginia *already* taxes travel agent service fees provided to state residents receiving the service at their home location. So, any West Virginia-based travel agent or website is already collecting sales tax on the service fee when booking West Virginia travelers at New Hampshire hotels. In fact, this new tax would attempt to impose *double taxation* of the same service fee paid by this West Virginia tourist, which was probably not the intention of the bill's authors.

Please remember that this bill would impose new taxes only on New Hampshire citizens, while placing your in-state travel services at a competitive disadvantage to out-of-state rivals.

Minimal revenue generated

For reasons explained above, every state, city, and county that has enacted a similar new tax has failed to gain the anticipated tax revenue.

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[3] Note that the out-of-state tourist still pays the New Hampshire occupancy tax when they book the room.

First, as discussed above, the service taxes could not be imposed on any out-of-state traveler. Second, New Hampshire tax collectors do not have authority to force out-of-state travel agents to collect these new service taxes since states can only impose collection obligations on businesses with a physical presence.

So, when you consider this tax, please consider whether the minimal tax revenue is worth the harm to New Hampshire's travel agencies and travel websites.

This new tax is at odds with American Legislative Exchange Council (ALEC) model acts

The American Legislative Exchange Council (ALEC) has adopted two model acts that make clear hotel and lodging taxes should be applied only on the amount received by the hotel – and not applied on the service fees charged by travel agents and online marketplaces.

ALEC's *Uniform Standard for Lodging Taxes Act* says:

> "'Sales price' is the amount received by the Hotel Operator"
>
> ...
>
> (2) Nothing in this part shall be construed to impose the tax on the separately stated service fee imposed by the online lodging marketplace on an online lodging transaction.

ALEC's *Travel Agent Tax Fairness Act* clarifies that:

> "that taxes imposed as a sales tax on a hotel room and/or hotel tax or occupancy tax shall apply only to the amounts received by hotel operators, this legislation will promote continued growth in travel and tourism

This legislation protects incumbents by shielding them from competition

Another flawed provision of HB 15 is a handout to big car rentals, which provides a handout to big car rental companies. Rather than innovate, Big Rental is running the same playbook that has worked well in the past: get the state legislature to pass laws that benefit its bottom line at the expense of others. Digital newcomers threaten established firms that have spent decades—and untold money—forcing out competition and creating barriers to entry for newcomers. When it succeeds, this behavior results in higher prices for consumers and fewer jobs for Tennesseans.

Big Rental's fear of car-sharing platforms is not surprising. Indeed, a recent survey of rental-car operators revealed that "Competition from peer-to-peer networks (Turo, GetAround)" ranked as one of the top self-reported "threats" in 2020.[4] It's not hard to see why. Peer-to-peer car sharing offers better service and deals than Big Rental does. First, they give consumers better choices, including specialty and antique cars. Second, they offer 24/7 roadside assistance. And third, they are more affordable than Big Rental—and they don't come with hidden fees.

To be sure, Big Rental's rent-seeking efforts are not unique. The hotel industry, for example, has been pushing legislation to crush Airbnb's growing popularity. Like Big Rental now, Big Hotels have pushed for unnecessary and harmful regulations under the guise of consumer protection. So, too, with taxi cabs toward ridesharing apps like Uber and Lyft. In all these cases, incumbents turned to the state for protection. And in all these cases, they used the guise of *consumer*

[4] Auto Rental News, 2020 Fact Book 15 (2020), http://digital.autorentalnews.com/factbook2020#&pageSet=6.

protection to mask their true intent of *competition prevention.*

Big rental car chains benefit most from limits on car-sharing

Big rental car companies are backing legislation like the new tax amendment because they view the emergence of car-sharing as a threat to their business model. These big companies want to create artificial barriers to competition and are using legislation like *this new tax amendment as a form of competition prevention.*

Car-Sharing platforms are not rental car companies

While the big car rental companies want legislators to treat car-sharing as car-rental, the two activities are markedly different. Unlike Enterprise or Hertz, online platforms don't own the cars that are shared.

Big rental car companies enjoy $3 billion in annual sales tax exemptions – something not available to car-sharing platforms.[5]

Moreover, big car rental companies take advantage of tax loopholes and business tax incentives. Such tax benefits are not available to a New Hampshire car owner who shares their car.

This legislation is anti-innovation and anti-consumer

The rise of digital platforms, especially peer-to-peer services, has threatened incumbents in many industries since this disruptive technology has proven so popular with consumers. So much so that incumbents have sought to squash innovation and strangle competition rather than invest in their own services and adapt to changing consumer preferences.

This legislation is no different. By forcing innovative platforms to assume liability for their drivers' actions, the legislation will drive many platforms from the market. And it sends a signal to other incumbents threatened by innovative peers: the way to succeed is not by winning on the merits, but by legislating against competition.

These efforts should not succeed. The peer-to-peer economy helps average Americans supplement their incomes by letting them rent assets they already own. Here, for example, car-sharing platforms let New Hampshire residents earn from their own cars, which they can then use to make car payments, pay insurance premiums, or cushion the financial blow from COVID lockdowns.

Avoid the conflation of travel services and lodging and rental providers

By maintaining the true distinction between travel service providers and hotel operators and car rental providers, you can help New Hampshire's travel and tourism industry focus on serving travelers and creating jobs – not on collecting nominal new taxes from the state's own citizens.

Instead of passing this language we suggest amending it to clarify when an occupancy tax applies. We suggest substituting the existing bill text with this language from Missouri law:

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[5] *See* NetChoice Policy Note at NetChoice.org/CarSharingPolicyNote

"Any tax imposed or collected by any municipality, any county, or any local taxing entity on or related to any transient accommodations, whether imposed as a hotel tax, occupancy tax, or otherwise, *shall apply solely to amounts actually received by the operator of a hotel*, motel, tavern, inn, tourist cabin, tourist camp, or other place in which rooms are furnished to the public.

Under no circumstances shall a travel agent or intermediary be deemed an operator of a hotel, motel, tavern, inn, tourist cabin, tourist camp, or other place in which rooms are furnished to the public unless such travel agent or intermediary actually operates such a facility. ...

This section is intended to clarify that taxes imposed as a hotel tax, occupancy tax, or otherwise, shall apply solely to amounts received by operators, as enacted in the statutes authorizing such taxes."[6]

We appreciate your consideration of our views, and please let us know if we can provide further information.

Sincerely,

Steve DelBianco
President and CEO
NetChoice

NetChoice is a trade association that works to make the Internet safe for free enterprise and free expression.

[6] Missouri HB 1442 (2010), signed into law July 2010 (emphasis added).

ALEC American Legislative Exchange Council

LIMITED GOVERNMENT • FREE MARKETS • FEDERALISM

TRAVEL AGENT TAX FAIRNESS ACT

Summary

This legislation establishes a sensible framework to eliminate confusion and controversy in the imposition of sales and hotel occupancy taxes on services provided by travel agents and other travel intermediaries. The legislation clarifies that a travel agent service which helps travelers to research, compare, and book hotel reservations is not subject to those taxes that are imposed on hotel operators for the provision of a room. By clarifying that taxes imposed as a sales tax on a hotel room and/or hotel tax or occupancy tax shall apply only to the amounts received by hotel operators, this legislation will promote continued growth in travel and tourism.

Model Policy

Section 1. {Title} This Act may be cited as the "Travel Agent Tax Fairness Act."

Section 2. {Legislative Findings} The Legislature finds that:

(A) Travel agents and online travel companies provide valuable services to travelers, showing comparisons of rates and amenities offered by multiple, competing hotel operators.

(B) These facilitation services are distinct from the provision of a room by the hotel where the traveler eventually stays.

(C) Travelers rely on community travel agents and online travel agents to research, compare, and book reservations.

(D) Sales taxes on hotel room and hotel occupancy taxes should not be imposed on services provided by travel agents and online travel companies.

Section 3. {General Rule}

(A) Notwithstanding any other provision of law to the contrary, any tax imposed on or collected in relation to any transient accommodations, whether imposed as a sales tax, a hotel tax, occupancy tax,

or otherwise, shall apply solely to amounts received by the operator of a hotel, motel, tavern, inn, tourist cabin, tourist camp, or other place in which rooms are furnished to the public.

(B) Under no circumstances shall a travel agent or intermediary be deemed an operator of a hotel, motel, tavern, inn, tourist cabin, tourist camp, or other place in which rooms are furnished to the public unless such travel agent or intermediary actually operates such a facility.

(C) This section is intended to clarify that taxes imposed as a sales and/or hotel tax, occupancy tax, or otherwise, shall apply solely to amounts received by operators, as enacted in statutes authorizing such taxes.

Section 4. {Effective Date} This Act will become effective immediately upon signature by the Governor.

Approved by ALEC Board of Directors on September 19, 2010. Adopted by ALEC Communications and Technology Task Force and the Tax and Fiscal Policy Task Force at the ALEC Annual Meeting on Thursday July 23, 2015 and Friday, July 24, 2015.
Reapproved by ALEC Board of Directors on September 4, 2015.
Renewed by the Task Forces on Communications and Technology and Tax and Fiscal Policy on July 16-17, 2020
Renewal approved by the Board of Directors on August 9, 2020

ALEC American Legislative Exchange Council

LIMITED GOVERNMENT • FREE MARKETS • FEDERALISM

UNIFORM STANDARD FOR LODGING TAXES ACT

Section 1. Definitions

[Appropriately designated section number] of the statutes is created to read:

(1) "Hotel" means any structure or space, or any portion thereof, that:

(a) Is occupied, or intended or designed for occupancy, by transients for dwelling, lodging, or sleeping purposes; and

(b) Accepts on-site reservations for accommodations;

(2) "Hotel operator" means the individual or individuals operating the hotel, whether as owner, lessee or otherwise;

(3) "Local governing body" means the legislative body of a municipal, metropolitan, or county government;

(4) "Department" means the department of revenue;

(5) "Occupancy" means the use or possession, or the right to the use or possession, of any room, lodgings, or accommodations in a hotel or online lodging unit;

(6) "Online lodging marketplace" or "marketplace" means any person or entity that provides a digital platform for compensation, through which a third party offers to rent an online lodging unit to an occupant;

(7) "Online lodging operator" means any person or entity engaged in the business of renting to an occupant any online lodging unit offered through an online lodging marketplace;

(8) "Online lodging transaction" or "transaction" means any transaction in which there is a charge to an occupant by an online lodging operator for the occupancy of any online lodging unit;

(9) "Online lodging unit" or "unit" means any structure, or a portion thereof, used by an online lodging operator to provide room or space that is suitable or intended for occupancy by an occupant for dwelling, sleeping, or lodging purposes, in exchange for a charge to the occupant for the occupancy;

(10) "Person" means any individual, or group of individuals, that occupies the same room or unit;

(11) "Sales price" is the amount received by the Hotel Operator; and

(12) "Transient" means any person who exercises occupancy or is entitled to occupancy of any unit for a period of less than thirty (30) continuous days.

Section 2. Statewide Lodging Tax Created

[Appropriately designated section number] of the statutes is created to read:

(1) There shall be a tax upon the privilege of occupancy in any hotel or online lodging unit by any transient. The tax shall be an amount equal to:

(a) [Insert number] percent ([X]%) of the sales price charged to the occupant by the hotel or online lodging unit operator for occupancy in the hotel or online lodging unit for any county in which the hotel or unit is located; and

(b) [Insert number] percent ([X]%) of the sales price charged to the occupant by the hotel or online lodging unit operator for occupancy in the hotel or online lodging unit for any city in which the hotel or unit is located; or

(c) [Insert number] that is equal to sub. (a) and (b)] percent ([X]%) of the sales price charged to the occupant by the hotel or online lodging operator for occupancy in the hotel or online lodging unit in any county having a metropolitan form of government.

(2) Nothing in this part shall be construed to impose the tax on the separately stated service fee imposed by the online lodging marketplace on an online lodging transaction.

(3) No online lodging operator shall be subject to the taxes imposed by this section with respect to any online lodging transaction for which the online lodging operator has received written notice or documentation from an online lodging marketplace that such marketplace has paid or will pay the

taxes imposed by this section on such transactions. Any notice received under this subsection shall be proof sufficient regarding any liability of an online lodging operator for such taxes.

(4) The tax shall be collected and remitted by the hotel operator or online lodging marketplace, and administered by the department, in the same manner as provided by [insert statutory reference to the sales and use tax statutes] with respect to the sales and use tax.

(5) Hotel operators, online lodging operators and online lodging marketplaces that collect the tax pursuant to this part shall be subject to the administration and enforcement provisions set out in [insert statutory reference to the administration and enforcement sections of the sales and use tax statutes].

(6) Taxes collected pursuant to this part shall be distributed on a monthly basis by the department to the applicable local governing body in which the hotel or unit was located and the tax was collected. The department may deduct an administration fee of one and one hundred twenty-five thousandths percent (1.125%) of the collected tax to cover its expenses of administering the collection and distribution of the tax.

(7) The taxes received by the local governing body from the department may be used for purposes authorized by existing law.

Section 3. Local Governing Body Lodging Tax Repealed

- [Insert statutory reference] is repealed. All taxes levied pursuant to the authority granted by this section are null and void upon the effective date of this legislation.

NOTE: This section repeals the local lodging tax authorization statute and makes null and void all lodging taxes imposed by local governing bodies pursuant to the authority granted by the section. This is necessary to enact the statewide lodging tax instead.

NOTE: For purposes of this model policy, it is recommended that the lodging tax rate be equal to the state's sales and use tax rate or, if the state does not have a sales and use tax, not greater than five percent (5%).

Adopted by the Task Force on Communications and Technology and the Task Force on Tax and Fiscal Policy at the Annual Meeting, July 28, 2016.

Approved by the ALEC Board of Directors, September 12, 2016.

TECHNET
THE VOICE OF THE
INNOVATION ECONOMY

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April 19, 2021

The Honorable Senator Bob Guida, Chair
Senate Committee on Ways and Means
107 North Main Street
Concord, NH 03301

Re: Opposition to HB 15 – taxing peer-to-peer car sharing services

Dear Chairman Guida and members of the Committee:

TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. Our diverse membership includes dynamic American businesses ranging from startups to the most iconic companies on the planet and represents over three million employees and countless customers in the fields of information technology, e-commerce, the sharing and gig economies, advanced energy, cybersecurity, venture capital, and finance.

TechNet respectfully submits these comments on HB 15, which would apply the state meals and rooms tax to transactions facilitated by peer-to-peer car sharing platforms. This legislation would create additional financial burdens for innovative platforms providing a boost to New Hampshire's travel and tourism, and reduce safe and secure opportunities for residents to generate income.

Peer-to-peer car sharing platforms allow New Hampshire residents to offer up the use of their personal vehicles for a fee. They provide an innovative, flexible, and affordable mobility service in addition to opportunities for New Hampshire residents to generate additional income. Unlike rental car companies, these platforms do not own or operate a fleet of vehicles; they simply provide the marketplace in which individuals can loan out their personal vehicle to others. HB 15 seeks to treat these platforms the same way as companies that own and operate vehicle fleets, rental desks, and offices throughout the state.

Levying this tax will result in increased costs to residents seeking to access a car or truck, and reduce the earning potential of individuals who offer their vehicles on these platforms - and the revenue generated for the state as a result will be minimal. This is the exact wrong time to increase costs on residents, particularly on the back of a safe and secure way to improve mobility and generate supplemental income.

TECHNET
THE VOICE OF THE
INNOVATION ECONOMY

We believe that taxing what amounts to a transaction between neighbors simply because it is facilitated online runs contrary to the Granite State's "live free or die" ethos. For these reasons, we ask that the bill not be advanced further. Thank you for your consideration. Please do not hesitate to contact me if I can provide any additional information.

Sincerely,

Christopher Gilrein
Executive Director, Massachusetts and the Northeast
TechNet
cgilrein@technet.org

TRAVEL TECH
The Travel Technology Association

April 14, 2021

Members of the New Hampshire Senate Ways and Means Committee
New Hampshire State Senate

Ref: Opposition to HB15, The Travel Agent Service Tax

Dear Senators:

On behalf of the Travel Technology Association which represents companies like Orbitz, Expedia, Priceline, Travelocity and many others, I urge you to reconsider the impacts of a new tax on accommodations as is proposed in HB15. Given the devastating impacts of the pandemic on the travel and tourism industry, now is not the time to burden New Hampshire's economy with additional taxes, making New Hampshire destinations more expensive for its own citizens traveling in-state and for out of state visitors, when our full recovery takes hold.

Prior to the pandemic, our industry has been responsible for booking hundreds of thousands of room nights in New Hampshire annually. We are in strong opposition to any proposal that would apply the Meals and Rooms tax to travel agent service fees.

First, and most importantly, online travel agents don't buy rooms in bulk at wholesale rates and resell them at retail rates. Online travel agents operate much like New Hampshire travel agents. They help consumers facilitate a booking and for that service, they charge a small travel agent fee. The same applies to short term rental platforms. HB15 would tax those travel agent fees which, given the economic crisis the travel and tourism industry is in right now, is shortsighted and counterproductive.

Further, New Hampshire travel agents, event planners and wedding planners, all of whom book rooms for clients, charge a fee for services. Others operate what is known as an agency model, where the hotel pays the agent a commission after the guest completes their stay. HB15 has a technical flaw that would be unfeasible for travel agents.

Our research shows that there will be great demand for travel at the appropriate time. In order for New Hampshire to fully benefit from the recovery of travel and this rebound, we should be working together to inspire and grow travel for the benefit of the direct and indirect businesses in New Hampshire that benefit from travelers.

Applying the Meals and Rooms tax to the fees charged by travel agents will have the opposite of the intended effect of raising revenue. Travel agents are the engine that help steer travelers to New Hampshire. Taxing online and New Hampshire travel agents will serve as a disincentive for them to steer travelers to the state.

These taxes will ultimately be passed on to the consumer in the form of higher room rates. Priceline.com found that when the room rate is increased by 1%, there is a 2% reduction in bookings. Raising room rates in New Hampshire through higher taxes will have a ripple effect through the state's economy as leisure travelers choose to stay in other states, not travel at all or make alternative accommodations to save money. Small businesses who benefit from travel and tourism, and desperately need economic activity to recover from the pandemic, including New Hampshire's restaurants, will be negatively impacted by these taxes as well. Further, on average, 25% of hotel bookings on online travel sites are in-state bookings, so New Hampshire citizens will pay more to travel within the state.

This proposal is bad for New Hampshire tourism and particularly bad for New Hampshire travel agents.

Like any new taxes, this tax would be passed on to the consumer in the form of higher rates. It should be no surprise that New Hampshire hotels will be at a distinct disadvantage to states that do not impose a tax on the travel agent services.

It has been said that when you tax something, you get less of it. In this case, we are talking about hotel bookings in New Hampshire.

The opportunity cost of this tax is high. It's not about raising revenue. It's not about closing a loophole that doesn't exist. It's not about leveling any playing field. It's simply a new tax on services and a disincentive for online travel agents and New Hampshire travel agents to steer people to New Hampshire hotels. This is a short-sighted proposal, especially during a pandemic when the travel and tourism industry has been hit so hard.

This new tax on services is a job killer, a small business killer and a burden on New Hampshire businesses and citizens. I urge you to reconsider this proposal and work to grow travel and tourism to support New Hampshire's economy during the recovery from the pandemic.

I would welcome the opportunity to meet with you and your colleagues to explore how our industry can work with the state to achieve that goal.

Sincerely,

Steve Shur
President

Voting Sheets

Senate Ways & Means Committee
EXECUTIVE SESSION RECORD
2021-2022 Session

Bill # HB15-FN

Hearing date: 4-19-21

Executive Session date: 5-10-21

Motion of: OTP **Vote:** 4-1

Committee Member	Present	Made by	Second	Yes	No
Sen. Giuda, Chair	☐	☐	☐	☐	☑
Sen. D'Allesandro, VC	☐	☐	☐	☑	☐
Sen. Daniels	☐	☐	☐	☑	☐
Sen. Hennessey	☐	☐	☑	☑	☐
Sen. Rosenwald	☐	☑	☐	☑	☐

Motion of: _____ **Vote:** _____

Committee Member	Present	Made by	Second	Yes	No
Sen. Giuda, Chair	☐	☐	☐	☐	☐
Sen. D'Allesandro VC	☐	☐	☐	☐	☐
Sen. Daniels	☐	☐	☐	☐	☐
Sen. Hennessey	☐	☐	☐	☐	☐
Sen. Rosenwald	☐	☐	☐	☐	☐

Motion of: _____ **Vote:** _____

Committee Member	Present	Made by	Second	Yes	No
Sen. Giuda, Chair	☐	☐	☐	☐	☐
Sen. D'Allesandro, VC	☐	☐	☐	☐	☐
Sen. Daniels	☐	☐	☐	☐	☐
Sen. Hennessey	☐	☐	☐	☐	☐
Sen. Rosenwald	☐	☐	☐	☐	☐

Reported out by: Rosenwald

Notes: _____

Senate Finance Committee

EXECUTIVE SESSION

Bill # HB 15-FN

Hearing date: N/A

Executive session date: 05/25/21

Motion of: OTP **VOTE:** 6-1

Made by Senator:	Daniels	☐	**Seconded by Senator:**	Daniels	☐	**Reported by Senator:**	Daniels	☐
	Reagan	☐		Reagan	☐		Reagan	☐
	Giuda	☐		Giuda	☐		Giuda	☐
	Rosenwald	☐		Rosenwald	☑		Rosenwald	☐
	D'Allesandro	☐		D'Allesandro	☐		D'Allesandro	☐
	Morse	☐		Morse	☐		Morse	☐
	Hennessey	☑		Hennessey	☐		Hennessey	☑

Motion of: _____ **VOTE:** _____

Made by Senator:	Daniels	☐	**Seconded by Senator:**	Daniels	☐	**Reported by Senator:**	Daniels	☐
	Reagan	☐		Reagan	☐		Reagan	☐
	Giuda	☐		Giuda	☐		Giuda	☐
	Rosenwald	☐		Rosenwald	☐		Rosenwald	☐
	D'Allesandro	☐		D'Allesandro	☐		D'Allesandro	☐
	Morse	☐		Morse	☐		Morse	☐
	Hennessey	☐		Hennessey	☐		Hennessey	☑

Committee Member	***Present***	***Yes***	***No***	***Reported out by***
Senator Daniels , Chairman	☑	☑	☑	☐
Senator Reagan, Vice-Chair	☑	☑	☐	☐
Senator Giuda	☑	☑	☐	☐
Senator Hennessey	☑	☑	☐	☑
Senator Rosenwald	☑	☑	☐	☐
Senator Morse	☑	☑	☐	☐
Senator ~~D'Allesandro~~ Soucy	☑	☑	☐	☐

Amendments: _____

Notes: _____

Committee Report

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE

Monday, May 10, 2021

THE COMMITTEE ON Ways and Means

to which was referred **HB 15-FN**

AN ACT relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS

BY A VOTE OF: 4-1

Senator Cindy Rosenwald
For the Committee

Sonja Caldwell 271-2117

WAYS AND MEANS

HB 15-FN, relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.
Ought to Pass, Vote 4-1.
Senator Cindy Rosenwald for the committee.

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE

Tuesday, May 25, 2021

THE COMMITTEE ON Finance

to which was referred **HB 15-FN**

AN ACT relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS

BY A VOTE OF: 6-1

Senator Erin Hennessey
For the Committee

Deb Martone 271-4980

General Court of New Hampshire - Bill Status System

Docket of HB15

Docket Abbreviations

Bill Title: relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.

Official Docket of **HB15.**:

Date	Body	Description
1/9/2021	H	**Introduced** (in recess of) 01/06/2021 and referred to Ways and Means **HJ 2** P. 47
1/20/2021	H	Public Hearing: 01/28/2021 01:30 pm Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/92120368845 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
2/18/2021	H	Full Committee Work Session: 03/02/2021 09:00 am Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/94528213728 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
2/18/2021	H	Full Committee Work Session: 03/03/2021 09:00 am Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/92309184005 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
3/3/2021	H	Full Committee Work Session: 03/10/2021 01:00 pm Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/99357402693 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
3/30/2021	H	Majority Committee Report: Ought to Pass with Amendment **#2021-0599h** (Vote 22-2; RC) **HC 18** P. 63
3/30/2021	H	Minority Committee Report: Inexpedient to Legislate
4/9/2021	H	Amendment **#2021-0599h**: AA DV 184-175 04/09/2021 **HJ 7** P. 75
4/9/2021	H	**Ought to Pass with Amendment** 2021-0599h: MA **RC** 289-78 04/09/2021 **HJ 7** P. 75
4/13/2021	S	Introduced 04/08/2021 and Referred to Ways and Means; **SJ 12**
4/14/2021	S	Remote **Hearing:** 04/19/2021, 09:00 am; Links to join the hearing can be found in the Senate Calendar; **SC 20**
5/10/2021	S	Committee Report: Ought to Pass, 05/20/2021; **SC 24**
5/20/2021	S	Sen. Rosenwald Floor Amendment **#2021-1488s**, AA, VV; 05/20/2021; **SJ 16**
5/20/2021	S	**Ought to Pass with Amendment** 2021-1488s, MA, VV; Refer to Finance Rule 4-5; 05/20/2021; **SJ 16**
5/25/2021	S	Committee Report: Ought to Pass, 05/27/2021; **SC 25A**
5/27/2021	S	Special Order to Next Session, Without Objection, MA; 05/27/2021; **SJ 17**
5/27/2021	S	Committee Report: Ought to Pass, 06/03/2021; **SC 26**
6/3/2021	S	**Ought to Pass: RC** 16Y-7N, MA; OT3rdg; 06/03/2021; **SJ 18**
6/3/2021	S	Without Objection, the Clerk is authorized to make technical and administrative corrections which are necessary to reflect the intent of the

		Senate, Relative to Bills and Amendments Passed Today, MA; 06/03/2021; **SJ 18**
6/10/2021	H	House Concurs with Senate Amendment 2021-1488s (Rep. Major): MA VV 06/10/2021
7/15/2021	S	Enrolled Adopted, VV, (In recess 06/24/2021); **SJ 20**
7/15/2021	H	Enrolled (in recess of) 06/24/2021

NH House	NH Senate

General Court of New Hampshire - Bill Status System

Docket of HB15

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3/30/2021	H	Minority Committee Report: Inexpedient to Legislate
4/9/2021	H	Amendment **#2021-0599h**: AA DV 184-175 04/09/2021 **HJ 7** P. 75
4/9/2021	H	**Ought to Pass with Amendment** 2021-0599h: MA **RC** 289-78 04/09/2021 **HJ 7** P. 75
4/13/2021	S	Introduced 04/08/2021 and Referred to Ways and Means; **SJ 12**
4/14/2021	S	Remote **Hearing:** 04/19/2021, 09:00 am; Links to join the hearing can be found in the Senate Calendar; **SC 20**
5/10/2021	S	Committee Report: Ought to Pass, 05/20/2021; **SC 24**
5/20/2021	S	Sen. Rosenwald Floor Amendment **#2021-1488s**, AA, VV; 05/20/2021; **SJ 16**
5/20/2021	S	**Ought to Pass with Amendment** 2021-1488s, MA, VV; Refer to Finance Rule 4-5; 05/20/2021; **SJ 16**
5/25/2021	S	Committee Report: Ought to Pass, 05/27/2021; **SC 25A**
5/27/2021	S	Special Order to Next Session, Without Objection, MA; 05/27/2021; **SJ 17**
5/27/2021	S	Committee Report: Ought to Pass, 06/03/2021; **SC 26**
6/3/2021	S	**Ought to Pass**: **RC** 16Y-7N, MA; OT3rdg; 06/03/2021; **SJ 18**
6/3/2021	S	Without Objection, the Clerk is authorized to make technical and administrative corrections which are necessary to reflect the intent of the

		Senate, Relative to Bills and Amendments Passed Today, MA; 06/03/2021; **SJ 18**
6/10/2021	H	House Concurs with Senate Amendment 2021-1488s (Rep. Major): MA VV 06/10/2021
7/15/2021	S	Enrolled Adopted, VV, (In recess 06/24/2021); **SJ 20**
7/15/2021	H	Enrolled (in recess of) 06/24/2021

NH House	NH Senate

Other Referrals

TW

Senate Inventory Checklist for Archives

Bill Number: HB15 **Senate Committee:** Ways & Means

Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside

✓ Final docket found on Bill Status

Bill Hearing Documents: {Legislative Aides}

✓ Bill version as it came to the committee

✓ All Calendar Notices

✓ Hearing Sign-up sheet(s)

✓ Prepared testimony, presentations, & other submissions handed in at the public hearing

✓ Hearing Report

✓ Revised/Amended Fiscal Notes provided by the Senate Clerk's Office

Committee Action Documents: {Legislative Aides}

All amendments considered in committee (including those not adopted):

___ - amendment #_____ ___ - amendment #_____

___ - amendment #_____ ___ - amendment #_____

✓ Executive Session Sheet

✓ Committee Report

Floor Action Documents: {Clerk's Office}

All floor amendments considered by the body during session (only if they are offered to the senate):

✓ - amendment # 1488 ___ - amendment #_____

___ - amendment #_____ ___ - amendment #_____

Post Floor Action: (if applicable) {Clerk's Office}

___ Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):

___ Enrolled Bill Amendment(s)

___ Governor's Veto Message

All available versions of the bill: {Clerk's Office}

✓ as amended by the senate ___ as amended by the house

___ final version

Completed Committee Report File Delivered to the Senate Clerk's Office By:

SLC 7-21-21

Committee Aide **Date**

Senate Clerk's Office _____

Senate Inventory Checklist for Archives

Bill Number: HB 15-FN **Senate Committee:** FINANCE - 2ND COMMITTEE

Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside

X Final docket found on Bill Status

Bill Hearing Documents: {Legislative Aides}

X Bill version as it came to the committee

X All Calendar Notices

___ Hearing Sign-up sheet(s)

___ Prepared testimony, presentations, & other submissions handed in at the public hearing

___ Hearing Report

X Revised/Amended Fiscal Notes provided by the Senate Clerk's Office

Committee Action Documents: {Legislative Aides}

All amendments considered in committee (including those not adopted):

___ - amendment # _____ ___ - amendment # _____

___ - amendment # _____ ___ - amendment # _____

X Executive Session Sheet

X Committee Report

Floor Action Documents: {Clerk's Office}

All floor amendments considered by the body during session (only if they are offered to the senate):

___ - amendment # _____ ___ - amendment # _____

___ - amendment # _____ ___ - amendment # _____

Post Floor Action: (if applicable) {Clerk's Office}

___ Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):

___ Enrolled Bill Amendment(s)

___ Governor's Veto Message

All available versions of the bill: {Clerk's Office}

___ as amended by the senate ___ as amended by the house

___ final version

Completed Committee Report File Delivered to the Senate Clerk's Office By:

_____ _____

Committee Aide **Date**

Senate Clerk's Office _____

New Hampshire Department of Revenue Administration

Fiscal Note Quick Guide

21-0670

HB 15-FN, *relative to including under the meals and rooms tax facilitators of Internet transactions of motor vehicle rentals and facilitators of Internet transactions of room occupancies.*

Senate Ways & Means

The proposed legislation specifies that "operator" within the meaning of the Meals and Rooms (Rentals) (M&R) Tax Law, RSA 78-A, includes a room facilitator and motor vehicle rental facilitator. For each occupancy or motor vehicle rental being facilitated by a room or motor vehicle rental facilitator, the facilitator must collect and remit the tax to the state.

HB 15 also clarifies that when a room facilitator or a motor vehicle rental facilitator facilitates an occupancy or motor vehicle rental transaction, the tax applies to all amounts paid by the consumer without any reduction for fees that are required to be paid by the consumer as a condition of the transaction.

The M&R Tax applies to all room and motor vehicle rentals, whether or not facilitated by a room or motor vehicle rental facilitator. However, to the extent operators exist which currently do not collect and remit the taxes on rental transactions facilitated by room or motor vehicle rental facilitators, the proposed legislation may indeterminably increase revenues. The facilitators in those instances would be required to collect and remit the taxes, thus improving compliance.

The proposed change would currently take effect 60 days after its passage, meaning that the fiscal impact would most likely begin occurring in FY 2022.

However, the Department would recommend modifying the effective date to a later date and beginning on the first day of the selected month. Delaying the effective date would give operators, room facilitators, and motor vehicle facilitators adequate time to prepare for this change and selecting the first of the selected month would coincide the change with the start of a new taxable period. We would suggest an effective date of taxable periods beginning on or after October 1, 2021.

The Department could administer this change without additional expenditures.