

Hotel Occupancy Taxes

Thank you for your inquiry regarding more information about Hotel Occupancy Taxes (HOT). We appreciate your faithfulness and diligence in remitting Hotel Occupancy Taxes.

Permit Requirements

Under City Ordinance Chapter 13 and Chapter 74 you are required to obtain a permit to operate as a Short-term Rental (STR) in the Oak Ridge North City Limits.

For more information about the permit process and requirements, please call 281-292-4648 to speak with someone in the Building or Community Development Department.

Hotel Occupancy Tax Rates

Local Tax Rate

Under City Ordinance Chapter 74, Article V, the hotel tax rate for the City of Oak Ridge North is seven percent (7%) and is filed on a quarterly basis.

State Tax Rate

The hotel occupancy tax rate for the State of Texas is six percent (6%) and is remitted either monthly or quarterly. The State will assign your remittance frequency. If you have not already set up an account to remit HOT with the Texas Comptroller of Public Accounts, click [here](#) for more information, and click [here](#) for their contact information. Please click [here](#) for the Comptroller's Quick Reference Guide for Hotels.

You should be charging your guest a total of thirteen percent (13%) for Local and State Hotel Occupancy Taxes.

How to Remit Hotel Occupancy Taxes

Remit HOT

You may file your remittance with the City of Oak Ridge North by using our fillable Remittance Form.

Please either mail or drop off your remittance form and payment at the remittance address below. Checks and money orders should be made payable to *City of Oak Ridge North*.

The remittance address is:

City of Oak Ridge North
27424 Robinson Road
Oak Ridge North, Texas 77386

To pay by phone with a credit card, please call 281-292-4648.

You can log on to pay with a credit card by clicking [here](#).

Hotel Occupancy Tax Remittances are due:

Quarter	Period	Due Date
First	Jan 1 – Mar 31	April 20 th
Second	Apr 1 – Jun 30	July 20 th
Third	Jul 1 – Sep 30	October 20 th
Fourth	Oct 1 – Dec 31	January 20 th

Late remittances will be assessed with a 5% penalty if paid 1-30 days late, a 10% penalty between 31-60 days late and a 15% penalty and 4.25% interest charge for anything over 61 days. If you are remitting HOT for quarters that are past due, you must file one remittance for each quarter that is past due.

Taxable Revenue

Taxable revenue includes your gross taxable receipts, cleaning fees and pet fees. When calculating the Hotel Occupancy Tax due, seven percent (7%) is multiplied by the gross taxable receipts amount, cleaning fees and pet fees.

Example: If the nightly rate is \$300 per night, a cleaning fee of \$100 is charged, a pet fee of \$50 is charged and the guest stays two nights, the total taxable receipts amount is \$750.

$\$300 \times 2 \text{ nights} = \600 plus $\$100$ cleaning fee + $\$50$ pet fee = $\$750$ total taxable receipts

$\$750 \times 0.07$ (7%) = $\$52.50$ hotel tax due

Taxpayers that multiply seven percent (7%) by the amount of revenue that is deposited to their bank account after service fees are deducted by their reservation service are not calculating the correct amount of tax due.

What to do if you do not have any receipts during a quarter

If you do not have any receipts during a quarter, you will file a zero-dollar receipts remittance. This will prevent the city from sending a delinquent notice to you for the quarter you did not have any receipts. Please note, filing a zero-dollar receipts remittance can affect the status of your STR permit under the STR ordinance that became effective July 3, 2024.

Reservation Services

Reservation services like AirBnB or VRBO do not remit HOT to the City of Oak Ridge North on behalf of their customers. It is your responsibility to make sure you charge and collect the appropriate amount of hotel tax and remit it to the City of Oak Ridge North.

If you use or plan to use a reservation service, they usually remit State HOT under their taxpayer number on your behalf. However, you should always verify what services your reservation service is performing for you. This is especially important as it relates to remitting HOT.

It is a good idea to obtain documentation from your reservation service showing the Hotel Occupancy Tax has been remitted on time and the Taxable Receipts have been calculated appropriately so the correct amount of tax is remitted. If you are selected for an audit by the State or our municipality, the property owner may be held liable for any discrepancies despite using a reservation service under Texas State Law.

Exemptions

Customers claiming an exemption from Hotel Occupancy Tax must present a [Hotel Occupancy Tax Exemption Certificate](#). Please read the exemption certificate to determine if a customer qualifies for an exemption from paying hotel occupancy tax.

The only customer not required to provide a Hotel Occupancy Tax Exemption Certificate are customers who stay in a hotel, motel, bed and breakfast or short-term rental for longer than 30 consecutive days.

Common Exemptions from Hotel Occupancy Tax:

1. Guest stays over 30 consecutive days,
2. State & Federal Officials or Employees,
3. Charitable Entities – 501 (c)(3) or nonprofit organizations,
4. Educational Entities (exempt from State hotel tax, but NOT local hotel tax), and
5. Religious organizations

It is important to **read the exemption certificate for details**. This will help you determine if your customer qualifies for an exemption from paying hotel occupancy tax.