

RULES AND REGULATIONS FOR THE COLLECTION OF  
THE HOTEL ROOM RENTAL TAX  
Of the County of Cumberland, Commonwealth of Pennsylvania  
Adopted April 1, 2024

1. DEFINITIONS

As used hereinafter, those words which are the subject of definitions specified in the County Hotel Room Rental Tax Ordinance of Cumberland County, Ordinance 2023-2, hereinafter “Ordinance,” shall have the identical meaning for the purpose of these Rules and Regulations for the Collection of The Hotel Room Rental Tax of the County of Cumberland, hereinafter “Regulations.”

2. IMPOSITION OF TAX

A. RATE OF TAX: The County Hotel Room Rental Tax, hereinafter “Tax,” is imposed at the rate of five percent (5%) effective April 1, 2024 and will continue thereafter upon the consideration received by each operator of a hotel or short-term rental within the County of Cumberland from each transaction of renting a room or rooms to a transient. A five percent (5%) tax is hereby imposed on the accommodation fee received by each booking agent. As used herein, renting shall mean the act of paying or being paid a consideration, whether received in cash money or otherwise for occupancy.

B. COLLECTION OF TAX BY OPERATOR: The Tax is to be collected by the operator, a third-party processor, or third-party service provider of each hotel or short-term rental, at the time of payment, from each person who pays a consideration for renting a room.

C. EFFECTIVE DATE: The five percent (5%) Tax shall be applicable to all transactions specified in the above, which occur on or after April 1, 2024.

3. REGISTRATION

Except for those hotels and short-term rentals previously registered, within thirty (30) days of the approval of these revised Regulations or within thirty (30) days after commencing business, whichever is later, each operator of any hotel or short-term rental shall register said property with the Office of the Cumberland County Treasurer, hereinafter Treasurer, by completing the Registration Form, hereinafter “Form,” provided by the Treasurer, a copy of which is attached to these Regulations, or by registering on Cumberland County’s Hotel Tax home page. After the registration is processed by the Treasurer, the operator of said hotel or short-term rental shall receive a certificate of authorization evidencing its authority to collect the Tax and said certificate shall at all times be posted in a conspicuous place in plain view of patrons on the premises.

4. ITEMS SUBJECT TO TAX

A. OCCUPANCY: The use or possession or the right to the use or possession by any person other than a permanent resident of any room in a hotel or short-term rental for any

purpose or the right to the use or possession of the furnishings or to the services accompanying the use and possession of the room or rooms.

B. OCCUPANCY PRICE WHICH INCLUDES MEALS: When the amount charged by an operator for occupancy includes the price of any meals, only that portion of the consideration attributed to the room occupancy shall be subject to the Tax. The price for meals, when not separately stated and itemized by the operator, shall be presumed to be distributed as follows unless, upon application of operator, the Treasurer approves a different basis:

	ROOM	MEALS
1. Breakfast only	90%	10%
Except when a “free” or “complementary” is offered the entire portion of room occupancy price is subject to the Tax.		
2. 2. Lunch or Dinner only	75%	25%
3. Breakfast and Lunch, or Lunch & Dinner	65%	35%
4. Breakfast, Lunch & Dinner	50%	50%

## 5. PERMANENT RESIDENTS

The Tax is imposed for occupancy by transients and not by permanent residents.

A. After a person has occupied or has the right to occupy for thirty (30) consecutive days, a person is no longer a “transient” as defined in the Ordinance. A person’s status as a “permanent resident” is effective for the rental period after 30 consecutive days is completed and continues thereafter so long as occupancy or the right to occupy remains continuous and uninterrupted.

B. A rental period, for the purpose of this subscription, is a period of time, for example a day, week, month, or the like during which, under and subject to the terms of a legally enforceable contract, a transient has a continuous right to occupy a room or rooms in a hotel or short-term rental and is legally bound to pay consideration therefore. (In the absence of evidence to the contrary, it is assumed that a rental period runs from the date of the first occupancy or first payment of consideration to the date on which subsequent payment of consideration is due). A mere statement of intention to occupy or permit occupancy, on the part of an occupant or property operator, or both, does not create a rental period unless the period in question is the subject of a legally enforceable contract.

C. The occupancy or right of occupancy must be for 30 consecutive days. A person who merely has the right to use a room or rooms on intermittent days of a week or month cannot become a permanent resident even though the person cumulatively occupies for more than 30 days.

D. The status of permanent resident only continues so long as the occupancy or right of occupancy continues uninterrupted. A permanent resident who quits and breaks their consecutive and continuing occupancy loses permanent resident status, and does not resume permanent resident status unless and until the completion of 30 consecutive days of occupancy. A transfer from one property to another, even though both properties are owned by the same operator, is a break in occupancy. However, a mere change of rooms in the same property is not a break in occupancy.

## 6. EXCEPTIONS

A. Permanent Resident: A permanent resident as that term is defined in the Ordinance is excluded from Tax liability upon the occupancy of any room or rooms in a hotel or short-term rental for any rental period during which, or at the expiration of which, he/she is or becomes a permanent resident. All other exceptions from the Tax shall be as set forth, construed and incorporated herein by reference as if fully set forth from Title 61 Pa. Code 38.2. These exemptions shall include:

1. Ambassadors, ministers and consular officers of foreign governments;
2. Occupancy of hotel rooms by United States Government;
3. Occupancy of hotel rooms by other exempt entities.

B. No person or entity other than those referred to by the preceding paragraphs of this section shall be exempt from the Tax.

C. RECORDS OF EXEMPT OCCUPANCIES: The operator shall maintain records to support and identify all exempt occupancies. Statements regarding permanent residents must itemize all exemptions claimed for the month for which the Tax return is being made.

## 7. REPORTS, RETURNS, PAYMENTS AND COLLECTION OF TAX

A. COLLECTION FROM THE PATRON: The operator shall collect the Tax imposed by the Ordinance from the patron of the room, and pay it over to the Treasurer as provided herein. The operator shall be liable to the county as agent thereof for the payment of the Tax to the county as provided in this section. If a third-party processor or third-party service provider is used for the collection of the tax, the owner/operator is still responsible for remitting the following supporting documentation.

B. RETURN BY OPERATOR: Every operator shall transmit to the Treasurer a return, postmarked or submitted online on or before the 20th day of the month following the close of the operator's reporting period.

1. Operators shall remit on a monthly basis;
2. The return shall include the amount of consideration received for the transactions during the month for which the return is made, the amount of the Tax collected by

the operator for that period, any forms for exceptions during the reporting period and other information as the Treasurer may require.

C.        **FORMS:** If prepared on paper, every tax report and exemption statement, if applicable, shall be made upon the forms furnished by the Treasurer on the Cumberland County website. If prepared using a registered account on Cumberland County Hotel Tax home page, the tax report is prepared automatically upon entry of the required data and the exemption statement must be uploaded, if and when applicable.

D.        **PAYMENT TO THE TREASURER:** Every operator, at the time of filing, shall compute and pay to the Treasurer the taxes collected and due the county during the period for which the report is made. If payment is remitted by a third-party processor or third-party service provider, the owner/operator is still responsible to ensure that payment has been made.

E.        **LATE PAYMENT FEES AND INTEREST:** If for any reason the Tax is not paid when due under the provisions of these Regulations, a penalty of one and one-half (1.50%) percent per month shall be imposed upon the operator of a hotel or short-term rental for failure to timely collect and remit the tax.

#### 8.        **FAILURE TO COLLECT AND REPORT TAX, DETERMINATION OF TAX BY COUNTY TREASURER**

If any operator shall fail to register with the Treasurer or shall fail or refuse to collect the Tax or to make, within the time provided, under these Regulations any report and remittance of said Tax or any portion thereof required by the Ordinance or the Regulations relative thereto, the Treasurer shall proceed in such manner as he/she may deem best to obtain facts and information on which to base their estimate of the Tax due. Such information may include information obtained from a third-party service provider. As soon as the Treasurer shall procure such information as he/she is able to obtain upon which to base the assessment of any tax imposed by the Ordinance and payable by any operator who has failed to register or refused to collect the same and to make such report and remittance, the Treasurer shall proceed to determine and assess against such operator the Tax, lawful interest, penalties and costs. In the event such determination is made, the Treasurer shall give notice of the amount so assessed by serving it personally or by depositing it in the United State mail, postage prepaid, addressed to the operator at its last known place of business. Such operator may within ten (10) days after the serving of mailing of said notice make application in writing to the Treasurer for a hearing on the amount assessed. If application by the operator for a hearing is not made within the time prescribed, the Tax and interest, penalties and costs if any, determined by the Treasurer shall become final and conclusive and immediately become due and payable.

If application is made, the Treasurer shall give not less than ten (10) days written notice in the manner prescribed herein to the operator to show cause at a time and place fixed in said notice why the amount specified therein should not be fixed for such tax and interest, penalties and costs. At such hearing, the operator may appear and offer evidence why such specified tax and interest should not be so fixed. After such hearing, the Treasurer shall determine the proper tax to be remitted and shall thereafter give written notice to the operator in the manner described

herein of such determination and the amount of such tax and interest, penalties and costs. The amount determined to be due shall be payable after thirty (30) days unless an appeal is taken.

## 9. APPEAL

Any operator aggrieved by any decision of the Treasurer with respect to the amount of such tax and interest, penalties and costs, if any, may appeal to the Court of Common Pleas of Cumberland County, pursuant to the rules thereof and said operator shall file a notice of the appeal with the Treasurer within thirty (30) days after the perfection of same.

## 10. RECORDS

It is presumed that all rooms are subject to the Tax until the contrary is established by accurate records from the operator. The burden of proving that the rent or occupancy received is not taxable is upon the operator and the operator must demonstrate the same through accurate records. In any case where an operator fails to maintain adequate records as required under these Regulations, any room for which there is not adequate records shall be deemed to be occupied for the entire period for which the supporting records are lacking.

It shall be the duty of every operator liable for the collection and payment to the Treasurer of any tax imposed by the Ordinance to keep and preserve for a period of three (3) years, all records as may be necessary to determine the amount of such Tax which the operator was liable to collect and pay to the county. Said records may be maintained at the place of business where the subject rooms were rented. Said records shall include but not be limited to folios, lease agreements, general ledger, night auditor and housekeeper reports, traffic summaries, source of business reports and any other documents that support room revenues and exemptions. Said records shall be filed in a manner that allows ready access by the Treasurer or authorized agent, who shall have the right to inspect same at all times.

In all instances where an operator claims an exemption to the Tax pursuant to the Regulations, said operator shall maintain among their records folios, lease agreements, vouchers and documentation specific to the exemptions noted in Section 6 of the Regulations. The aforementioned records shall be filed in a manner that allows ready access by an authorized agent, as aforementioned, of the County of Cumberland.

## 11. REFUNDS

Whenever the amount of any Tax or interest has been overpaid, paid more than once, or erroneously or illegally collected or received by the Treasurer under the Ordinance, or Regulations relative thereto, it may be refunded provided a verified written claim therefore stating the specific grounds upon which the claim is founded, is filed with the Treasurer within one (1) year of date of payment.

An operator may claim a refund when it is established in the manner prescribed by the Treasurer, that the person from whom the Tax has been collected was not an occupant subject to the Tax, provided, however, that a refund shall not be allowed unless the amount of the Tax

collected has either been refunded to the guest or credited to rent subsequently payable to the operator.

No refund shall be paid under the provisions of this section unless operator established its right thereto by written records showing entitlement thereto.

## 12. ACTIONS TO COLLECT

Any Tax required to be paid by an occupant under the provisions of the Ordinance shall be deemed a debt owed by the occupant to the county. Any such tax collected by an operator that has not been paid to the county shall be deemed a debt owed by the operator to the county. Any person owing money to the county by the provisions of the Cumberland County Hotel Room Rental Tax ordinance shall be liable to an action brought under the name of the county for the recovery of such amount.

All costs associated with the action taken under this section shall be imposed upon the operator.

Whenever any operator shall fail to pay the Tax as herein provided, the county shall bring or cause to be brought a civil action in any court having jurisdiction to enforce the payment of all taxes, late payment fees, interest and cost of suit.

## 13. PENALTIES

Any person who shall violate any of the provision of this Ordinance shall, upon conviction thereof in a summary proceeding before any magisterial district judge in Cumberland County, be sentenced to pay a fine of not more than one thousand dollars (\$1,000.00), or to undergo imprisonment for not more than ten (10) days, or both.