

HOTEL ROOM REVENUE EXEMPTIONS					
Description	Tax Exempt Yes or No	Time Period	Tax Type	Documentation Required	Additional Comments
Non Transient:					
1. Can guest be considered non transient?	Yes	30 consecutive days	Hotel Occupancy	Folio record showing room rental of more than 30 consecutive days, OR written notice of intention to rent for at least 30 consecutive days with proof person actually rented for the next 30 consecutive days.	To qualify, non transients (permanent residents) may either occupy room for more than 30 consecutive days (pay tax on first 30 days but exempt thereafter); OR give written notice of intention to stay at least 30 consecutive days and occupy room for the next 30 consecutive days (exempt beginning when notice given). Any interruption in occupancy voids the exemption. Rule 3.161(b)
If so, after how many consecutive days (time period)?	Yes	30 consecutive days	Hotel Occupancy	See #1 above.	Texas law provides a permanent resident exemption for persons who have the right to occupy a room for 30 or more consecutive days. Rule 3.161(b)
2. Can Corporations, Partnerships, and LLCs qualify as non transient?	Yes	30 consecutive days	Hotel Occupancy	Same as #1 above.	The hotel must invoice and be paid by the same person (corporation, partnership, LLC, etc.); exemption not dependent on the same natural person occupying the room or that the same room be rented each night.
3. Can Airline Crew Rooms qualify as non transient?	Yes	30 consecutive days	Hotel Occupancy	Contract showing rental of room(s) for more than 30 consecutive days.	Different crew members may occupy different rooms, but same number of rooms must be rented for at least 30 consecutive days. The exemption applies to the number of rooms specified and rented for at least 30 consecutive days; for a range of rooms, it applies only to the lowest number of rooms in the range plus any additional rooms rented at least 31 consecutive days. Rule 3.161(b)
4. Is a written contract required for non transient status?	No	30 consecutive days	Hotel Occupancy	Folio record showing room rental of more than 30 consecutive days, OR written notice of intention to rent for at least 30 consecutive days with proof person actually rented for the next 30 consecutive days.	A guest can become exempt on the 31st consecutive day of occupancy and will remain exempt until there is an interruption in occupancy. Rule 3.161(b)

5. After guests have met non transient requirements,					
a. Can taxes be refunded from first date of stay?	Yes*	30 consecutive days	Hotel Occupancy	Written notice of intention to stay for at least 30 consecutive days with folio record showing room rented for 30 or more consecutive days.	May refund tax back to date hotel received written notice of intention to stay for 30 or more days; *otherwise, the first 30 days are taxable. Rule 3.161(b)
b. Is it required to collect taxes from day one if the contract exists?	No	30 consecutive days	Hotel Occupancy	Copy of contract for stay of 30 or more consecutive days.	Even with contract/written notice, the hotel is liable if the guest fails to pay for 30 consecutive days. The hotel may wish to collect tax for first 30 days, then refund or credit the tax. Rule 3.161(b)
Federal, State, Local Government:					
6. Federal Government employees qualify for exemption if:					
a. Payment made directly by agency	Yes	Not Applicable	Hotel Occupancy	Completed hotel occupancy tax exemption certificate (form 12-302).	Employees traveling on official business are exempt from state and local hotel taxes; manner of payment does not affect the exemption. Hotel may request a copy of a government ID, business card, or other identification to verify exemption. Rule 3.161(b)
b. Payment made by guest who is reimbursed by agency?	Yes	Not Applicable	Hotel Occupancy	Completed hotel occupancy tax exemption certificate (form 12-302).	Employees traveling on official business are exempt from state and local hotel taxes; manner of payment does not affect the exemption. Hotel may request a copy of a government ID, business card, or other identification to verify exemption. Rule 3.161(b)
7. State Government employees qualify for exemption if:					
a. Payment made directly by agency	No*	Not Applicable	Hotel Occupancy	Not applicable, *except for designated state employees (see 7.b. below).	Texas state agencies and *most state employees are not exempt. Rule 3.161(b)
b. Payment made by guest who is reimbursed by agency?	No*	Not Applicable	Hotel Occupancy	*Designated Texas state officials who present a Hotel Tax Exemption Photo Identification Card and a completed hotel occupancy tax exemption certificate (form 12-302).	Most state employees are not exempt. *Certain Texas officials - mostly heads of state agencies, district judges and above, and members of state boards and commissions and the Texas Legislature - are exempt from state and local hotel taxes. Rule 3.161(b)

8. Other state government employee qualify for exemptions if:					
a. Payment made directly by agency	No	Not Applicable	Hotel Occupancy	Not exempt	Agencies from other states and their employees are not exempt.
b. Payment made by guest who is reimbursed by agency	No	Not Applicable	Hotel Occupancy	Not exempt	Agencies from other states and their employees are not exempt.
9. Local government employees qualify for exemptions if:					
a. Payment made directly by agency	No	Not Applicable	Hotel Occupancy	Not exempt	Local government agencies and their employees are not exempt
b. Payment made by guest who is reimbursed by agency	No	Not Applicable	Hotel Occupancy	Not exempt	Local government agencies and their employees are not exempt
10. Foreign Diplomats	Yes	Not Applicable	Hotel Occupancy	Present Tax Exemption Card issued by the U.S. Dept. of State and a completed hotel occupancy tax exemption certificate (form 12-302).	Foreign missions and diplomats that have received a hotel tax exemption from the Office of Foreign Missions, U.S. Dept. of State, are exempt from state and local hotel taxes. Rule 3.161(b)
Other:					
11. Non profit organizations - 501(c)(3) Organizations	No	Not Applicable	Hotel Occupancy	Not exempt	501(c)(3) organizations are not exempt.
12. Religious, Charitable, Scientific Organizations	Yes*	Not Applicable	Hotel Occupancy	Religious and charitable organizations complete a hotel occupancy tax exemption certificate (form 12-302). *Scientific organizations are not exempt.	Exempt from state hotel tax only. Organization has received Comptroller's letter of hotel tax exemption (may request copy). Employees traveling on official business are also exempt. Method of payment immaterial, except for non-employees who must pay by organization check, credit card or direct billing. *Scientific organizations are not exempt. Rule 3.161(b)
13. Public Schools (elementary & secondary):					
a. In-state	Yes	Not Applicable	Hotel Occupancy	Completed hotel occupancy tax exemption certificate (form 12-302).	In-state public schools are educational organizations and exempt from state hotel tax in same manner as religious/charitable organizations.
b. Out-of-state	Yes	Not Applicable	Hotel Occupancy	Completed hotel occupancy tax exemption certificate (form 12-302).	Out-of-state public schools are educational organizations and exempt from state hotel tax in same manner as religious/charitable organizations.

14. Private Schools (elementary & secondary):					
a. In-state	Yes	Not Applicable	Hotel Occupancy	Completed hotel occupancy tax exemption certificate (form 12-302).	In-state private schools are educational organizations and exempt from state hotel tax in same manner as religious/charitable organizations.
b. Out-of-state	Yes	Not Applicable	Hotel Occupancy	Completed hotel occupancy tax exemption certificate (form 12-302).	Out-of-state private schools are educational organizations and exempt from state hotel tax in same manner as religious/charitable organizations.
15. Public & Private Universities and Colleges (institutions of higher education):					
a. In-state	Yes	Not Applicable	Hotel Occupancy	Completed hotel occupancy tax exemption certificate (form 12-302).	In-state public & private universities/colleges are educational organizations and exempt from state hotel tax in same manner as religious/charitable organizations.
b. Out-of-state	No*	Not Applicable	Hotel Occupancy	*Completed hotel occupancy tax exemption certificate (form 12-302).	Beginning October 1, 2003, out-of-state public & private universities/colleges do not qualify as educational organizations and are not exempt from state hotel tax; *out-of-state institutions of higher education are exempt for state hotel tax from September 1, 2001 to September 30, 2003.