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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT

Introduced By: Representatives McEntee, Craven, Shekarchi, and Filippi

Date Introduced: April 28, 2016

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-63.1-2 of the General Laws in Chapter 42-63.1 entitled
2 "Tourism and Development" is hereby amended to read as follows:

3 **42-63.1-2. Definitions.** -- For the purposes of this chapter:

4 (1) "Consideration" means the monetary charge for the use of space devoted to transient
5 lodging accommodations.

6 (2) "Corporation" means the Rhode Island economic development corporation.

7 (3) "District" means the regional tourism districts set forth in § 42-63.1-5.

8 (4) "Hotel" means any facility offering a minimum of one (1) room for which the public
9 may, for a consideration, obtain transient lodging accommodations. The term "hotel" shall
10 include hotels, motels, tourist homes, tourist camps, lodging houses, and inns. The term "hotel"
11 shall also include houses, condominiums or other residential dwelling units, regardless of the
12 number of rooms, which are used and/or advertised for rent for occupancy. The term "hotel" shall
13 not include schools, hospitals, sanitariums, nursing homes, and chronic care centers.

14 (5) "Hosting Platform" means any electronic or operating system in which a person or
15 entity provides a means through which an owner may offer a residential unit for "tourist or
16 transient" use. This service is usually, though not necessarily, provided through an online or web-
17 based system which generally allows an owner to advertise the residential unit through a hosted
18 website and provides a means for a person or entity to arrange tourist or transient use in exchange
19 for payment, whether the person or entity pays rent directly to the owner or to the hosting

1 platform. All hosting platforms are required to collect and remit the tax owed under this section.

2 (6) "Occupancy" means a person, firm or corporation's use of space for transient lodging
3 accommodations not to exceed thirty (30) days. Excluded from "occupancy" is the use of space
4 for which the occupant has a written lease for the space, which lease covers a rental period of
5 twelve (12) months or more. Furthermore, any house, condominium or other residential dwelling
6 rented, for which the occupant has a documented arrangement for the space covering a rental
7 period of more than ~~thirty (30)~~ six (6) consecutive days ~~or for one calendar month~~ is excluded
8 from the definition of occupancy.

9 (7) "Tax" means the hotel tax imposed by subsection 44-18-36.1(a).

10 (8) "Owner" means any person who owns real property and is the owner of record.
11 Owner shall also include a lessee where the lessee is offering a residential unit for "tourist or
12 transient" use.

13 (9) "Residential unit" means a room or rooms, including a condominium or a room or a
14 dwelling unit that forms part of a single, joint or shared tenant arrangement, in any building, or
15 portion thereof, which is designed, built, rented, leased, let, or hired out to be occupied for non-
16 commercial use.

17 (10) "Tour operator" means a person that derives a majority of his or her or its revenue
18 by providing tour operator packages.

19 (11) "Tour operator packages" means travel packages that include the services of a tour
20 guide and where the itinerary encompasses five (5) or more consecutive days.

21 (12) "Tourist or transient" means any use of a residential unit for occupancy for less than
22 a thirty (30) consecutive day term of tenancy, or occupancy for less than thirty (30) consecutive
23 days of a residential unit leased or owned by a business entity, whether on a short-term or long-
24 terms basis, including any occupancy by employee or guests of a business entity for less than
25 thirty (30) consecutive days where payment for the residential unit is contracted for or paid by the
26 business entity.

27 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would reduce the period from thirty (30) days to six (6) days in regard to the
2 exclusion from the definition of occupancy for any home, condominium or other residential
3 dwelling rented.

4 This act would take effect upon passage.

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