



Louisville Metro Revenue Commission

TRANSIENT ROOM TAX FAQs

The Louisville Metro Revenue Commission collects a tax on temporary lodgings known as a Transient Room Tax. Detailed information on the Transient Room tax can be found in the Louisville Metro Code of Ordinances Chapter 121.

What is the Transient Room tax?

Louisville Metro Government imposes a total transient room tax of eight and one-half percent (**8.5%**) to the rent for every occupancy by transient guests who occupy a suite, room, rooms, cabins, lodgings, campsites, or other accommodations charged by any hotel, motel, inn, tourist camp, tourist cabin, campgrounds, recreational vehicle parks, or any other place in which accommodations are regularly furnished to transients for consideration or by any person that facilitates the rental of the accommodation by brokering, coordinating or in any other way arranging for the rental of the accommodations. The transient room taxes imposed herein shall not apply to accommodations supplied for a continuous period of thirty (30) days or more.

Who is required to file a Transient Room tax return and remit transient tax?

Hotels, motels, inns, campsites, lodgings, tourist camps, tourist cabins, recreational vehicle parks, or any other place where lodgings are regularly furnished to transient guests are required to file. Additionally, online booking platforms and/or online travel companies that facilitate the rental of the accommodation are required to file and pay this tax monthly.

Hosts that book **exclusively** through online booking platforms are *no longer required* to file a monthly Transient tax return themselves, the online booking platform is responsible for filing returns and paying the tax. Hosts that facilitate online bookings **and** direct bookings are only required to file a monthly Transient tax return for those stays that were directly booked through the host. **The entity that collects the payment for the accommodation is the entity required to file and remit the Transient tax.**

What are the registration requirements?

All online booking and hosting platforms must register with the Revenue Commission and establish an account for filing returns and remitting Transient Room tax

payments levied on the rent of online booking transactions it facilitates.

All hotels, motels, inns, tourist camps, tourist cabins, campgrounds, recreational vehicle parks, or other places in which accommodations are regularly furnished to transients must register with the Revenue Commission and establish an account for filing returns and remitting Transient Room tax payments for accommodations that have been booked and rented directly by the host.

Hosts should only register once with the Revenue Commission, even if they have multiple rental properties or use different rental methods.

All Short-Term Rental Owners (hosts) must register with the Louisville Metro's Office of Planning & Design Services as well as the Revenue Commission.

What form should taxpayers file? How?

The TR1M is an electronic filing form for rental owners with self-bookings and permanent guests.

The TR1M-P is an electronic filing form used by online booking platforms to file for accommodations booked through their platform.

Effective July 1, 2023, all transient returns must be electronically filed through the [eMINTS](#) portal.

When are returns and taxes due?

The tax and return are due by the last day of each month for the rentals that were completed in the preceding month. For example, the return and tax for transient rental activity in May is due by June 30th.

If a Host has 10 stays that all began and ended in April 2022 and all were less than 30 days, when are the tax and return due?

The tax and return are due by May 31, 2022.

If a Host has 10 bookings that all began in April 2022, but two of those stays ended in May 2022 and all were less than 30 days, when are the tax and return due?

The tax and return for the stays that began and ended in April 2022 are all due in by May 31, 2022. The two stays that ended in May 2022 are due by June 30, 2022.

If a Host has 10 stays that all began in April 2022, but two of the stays ended in May 2022 and one of the stays lasted for 30 days, when are taxes and returns due?

The tax and return for the stays that began and ended in April of 2022 are all due by May 31, 2022. The one stay that ended in May of 2022 is due by June 30, 2022. The stay that lasted 30 days is reported on the June 30, 2022, transient return, however, no tax is due for this stay.

A Host has 10 stays that all began and ended in April 2022 and all were less than 30 days, but one of the guests is active Military. Is the guest who is active duty military still charged the transient room tax?

The transient room taxes are imposed upon the persons providing or facilitating the accommodations regardless of the tax status of the customers; therefore, there are no exemptions from the tax due on the rental receipts. The tax and return are due by May 31, 2022.

A Host has two rooms contracted for 45 continuous days, but the actual rooms paid for under the contract are Room 305 for 25 days, Room 306 for 20 days, and Room 307 for 45 days.

Only the rent paid for Room 307 is considered a continuous stay of 30 or more days. In this scenario, Room 307 is exempt from the transient room tax. For rooms 305 and 306, transient room tax is still applicable.

A Host has 10 stays that all began in April 2022, but two of those stays ended in May of 2022. One of the stays lasted for 30 days, however the company that booked the stay had several different employees occupy the same room during the 30-day period and the room was empty for three of those days.

The exemption for continuous stays of 30 or more days does not require the same employee to occupy the room or rooms a company has booked. However, the same room or rooms must be booked and paid for by the company throughout the 30-day or more continuous period, even if the room or rooms happen to be vacant for

certain nights of the continuous period. The tax and return for the stays that began and ended in April 2022 are all due by May 31, 2022. The one stay that ended in May of 2022 is due by June 30, 2022. The stay that lasted 30 days is reported on the June 30, 2022, transient return, however, no tax is due for this stay.

A Host has 10 stays that all began in April 2022, but two of the stays ended in May of 2022. One of the stays lasted for 30 days. The 30-day stay was re-booked and paid on a weekly basis, but the guest never vacated the room.

In this scenario, the same guest occupied the room for more than thirty days, therefore, the exemption still applies. The booking practices of the host are not relevant to the exemption. The tax and return for the stays that began and ended in April 2022 are all due by May 31, 2022. The one stay that ended in May of 2022 is due by June 30, 2022. The stay that lasted 30 days is reported on the June 30, 2022, transient return, however, no tax is due for this stay.

What are the penalties and interest for the transient room tax and returns?

Any person who fails to pay the required transient taxes on or before the date due shall be assessed a penalty of 5% of the unpaid amount of the tax whether or not the required return for the applicable period has been timely filed. In addition to the penalty of five percent, a simple interest at the rate of 12% per annum is calculated on a daily basis from the date the payment was due until the date of payment.

Any person who fails to file the monthly return shall be charged a penalty of 5% per month or fraction of a month of the amount of the unpaid tax which said return, if properly completed and filed, would have shown to be due, provided, however, that the penalty shall not exceed 25% of the amount of the unpaid taxes.

What is the refund process for transient room taxes?

An overpayment of any tax collected may be refunded within two years of the date prescribed by law for the filing of a return or the date the money was paid to the Revenue Commission, whichever is later. The request for a refund must be made by the entity that filed the return to the Revenue Commission in writing and must state the amount requested, the applicable period, the basis for the request, and any other information the Revenue Commission reasonably requires.

The Revenue Commission will not refund overpayment of tax that was paid directly to an online booking platform. The Host must go directly through the booking platform to request the refund.