

**EXCISE TAX ON BUSINESS OF PROVIDING ACCOMMODATIONS (EXCERPT)**  
**Act 263 of 1974**

**141.862 County excise tax on persons engaged in business of providing rooms for dwelling, lodging, or sleeping purposes to transient guests; exempt accommodations; amendment or repeal of ordinance; tax rate; increase subject to vote of electors in compliance with state constitution and subsection (1).**

Sec. 2. (1) The county board of commissioners of a county that has a population of less than 600,000 and that has a city with a population of not less than 40,000 may enact an ordinance to levy, assess, and collect an excise tax from all persons engaged in the business of providing rooms for dwelling, lodging, or sleeping purposes, except in hospitals or nursing homes, to transient guests, whether or not membership is required for the use of the accommodations.

(2) If a county meets the requirements of subsection (1) on the date it enacts an ordinance under this act and, after the 1990 decennial census, the county has a population of less than 120,000 and has a city with a population of 35,000 or more, that county may continue to levy, assess, and collect the excise tax until October 1, 1991.

(3) If a county described in subsection (2) has any accommodations located within the county that are also located within the boundaries of a city in which the majority of the population of that city reside in an adjoining county, then the accommodation is exempt from the excise tax levied by the county.

(4) If a county described in subsection (2) has any accommodations located within the county that are also located within the boundaries of a city with a population of less than 5,000 persons, then the accommodation is exempt from the excise tax levied by the county.

(5) An ordinance described in subsection (1) may be amended or repealed in the same manner as it was adopted.

(6) The excise tax imposed by a county must be at a rate of not more than 8% of the total charge for accommodations subject to this act.

(7) If a county meets the requirements of subsection (1) on the date it enacts an ordinance, the county may continue to levy, assess, and collect the excise tax and, subject to subsections (6) and (8), may increase the rate at which the excise tax is levied.

(8) The county board of commissioners of a county shall not levy an excise tax at a rate of more than 5% of the total charge for accommodations subject to this act unless a majority of the qualified electors of that county voting on the question approve the levy of the excise tax in compliance with section 31 of article IX of the state constitution of 1963.

**History:** 1974, Act 263, Imd. Eff. Aug. 7, 1974;—Am. 1991, Act 91, Imd. Eff. July 31, 1991;—Am. 2004, Act 118, Imd. Eff. May 27, 2004;—Am. 2024, Act 35, Imd. Eff. Apr. 2, 2024.

**Popular name:** Accommodations Tax Act