BARRY GLASSMAN
HARFORD COUNTY EXECUTIVE

BILLY BONIFACE
DIRECTOR OF ADMINISTRATION

ROBERT F. SANDLASS, JR.
TREASURER

March 4, 2015

TO: Owner/Operator/Manager

RE: Hotel Occupancy Tax Information

Recently, the Maryland General Assembly has authorized the implementation of a hotel tax for Harford County, Maryland. The citizens of Harford County appreciate your cooperation with the implementation.

There have been questions regarding the applicability of the tax with respect to Federal Government and instrumentalities thereof. The tax is applicable unless the purchase is made from a centrally billed account. The Federal Government in recent years has begun the use of credit cards for purchases.

When certain cards are used, the purchase may be exempt from the tax. The attached list of credit card numbers, when used by the Federal Government, is exempt from the hotel tax.

In addition, exemptions apply for the following instrumentalities of the Federal Government, Federally Chartered Credit Unions, Amtrak, and American Red Cross when payment is made directly by the instrumentality.

The tax is applicable for days 1 through 30. Thereafter the tax is not due assuming that the transients stay is consecutive.

If you have further questions, you may contact the County at HotelTax@harfordcountymd.gov.

Thank you for your time and attention.

Sincerely,

Robert F. Sandlass, Jr.
Treasurer

RFS/sb
Enclosures

General Information
- Business Tax Forms and Instructions
- 2014 Instruction Booklets
- Business Online Services
- Filing Methods
- Payment Methods
- Filing Deadlines
- Business Tax Credits
- Business Licenses

Business Tax Types
- Income Tax
- Sales and Use Tax
- Admissions and Amusement Tax
- Motor Fuel Tax
- Alcohol Tax
- Tobacco Tax
- Boxing and Wrestling Tax
- Business Personal Property Tax

New Businesses
- Business Licenses
- Business Online Services
- Business Registration Forms
- Registro de Empresas
- Contact Information
- New Business Tax Tips

Unclaimed Property

Taxpayer Assistance
- Tax Tips
- Contact Information
- Business Tax FAQs
- Taxpayer Rights
- Tax Institutes
- Office Closings and Holidays
- Change of Address
- Free Income Tax Preparation
- Common Problems

Business Tax Compliance
- Why Do I Owe
- What Happens if I Don't Pay
- Pay It
- Dispute It
- Get Help
- Enforcement Information

Tell Us What You Think

Business Taxes>Business Tax Types>Sales and Use Tax>Filing Information>Tax Exemptions>Exemption Certificates>Sales to Government Employees

Tax Exempt Sales to Government Employees

Government employees may use the Maryland sales and use tax exemption certificate to make purchases of goods for the government unit. However, the sales and use tax law does not expressly exempt sales to a government employee who, for example, rents a hotel room or purchases a meal and pays for it with cash, personal check or personal credit card. Those employees are required to pay the Maryland sales and use tax to the vendor.

The tax is due on those transactions even though the employee may have documentation provided by the government agency that the purchaser is a government employee or may be reimbursed by the government for those expenses.

Federal government charge card purchases

Federal government purchases made by using the following charge cards administered by the U.S. General Services Administration's GSA SmartPay charge cards are exempt from the Maryland sales and use tax since they are billed directly to the federal government:

- Purchase MasterCard cards with the first four digits of 5565 or 5568.
- Purchase VISA cards with the first four digits of 4486, 4614, or 4716.
- Fleet MasterCard cards with the first four digits of 5565 or 5568.
- Fleet Voyager cards with the first four digits of 8699.
- Travel MasterCard cards with the first four digits of 5565 or 5568, and with a sixth digit of 0, 6, 7, 8 or 9.
- Travel VISA cards with the first four digits of 4486 or 4614, and with a sixth digit of 0, 6, 7, 8 or 9.
- Debit/Prepaid MasterCard cards with the first four digits of 5564, 5565 or 5568.
- Debit/Prepaid VISA cards with the first four digits of 4614.

Purchases made by using the following charge cards are subject to the Maryland sales and use tax since they are billed directly to the individual and are not treated as direct sales to the federal government:

- Travel MasterCard cards with the first four digits of 5565 or 5568, and a sixth digit of 1, 2, 3 or 4.
- Travel VISA cards with the first four digits of 4486 or 4614, and a sixth digit of 1, 2, 3 or 4.

Links for Exemption Certificates

Business Tax Types
Sales and Use Tax
Filing Information
Tax Exemptions
Exemption Certificates
- Accepting Exemption Certificates
- Verify Exemption Certificates
- Applying for Exemption Certificates
- Requesting Duplicate Exemption Certificates
- Renewing Exemption Certificates
- Veterans Organizations
- Sales to Nonprofit Organizations
- Sales to Contractors
- Sales to Government Employees

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