

LOS ANGELES COUNTY TREASURER AND TAX COLLECTOR

**Frequently Asked Questions (FAQs) About
Transient Occupancy Tax (TOT) in Los Angeles County**

Updated May 16, 2024

CONTENTS

DEFINITIONS 2
REGISTERING FOR A TOT CERTIFICATE 3
COLLECTING TOT 3
REMITTING TOT 4
EXEMPTIONS 5
RECORDKEEPING 6
REFUNDS 7
MISCELLANEOUS 7
SHORT-TERM RENTALS 8
CONTACT INFORMATION 8

DEFINITIONS

1. What is “Transient Occupancy Tax”?

“Transient Occupancy Tax,” or “TOT” is commonly known as a “hotel tax” or “bed tax” and is authorized under Title 4 of the [Los Angeles County \(County\) Code \(Code\) Chapter 4.72-TOT](#). Under the Code, Hotel Operators, including property owners who use Online Hosting Platforms to rent lodging space, in unincorporated areas of the County are required to collect and remit a tax of 12% on Rent paid by Transient Guests.

2. What is the definition of “Hotel”?

“Hotel” is defined to be any structure in the unincorporated area of the County which is occupied, or intended for occupancy, by a transient guest. This includes a hotel, inn, tourist home or house, motel, studiohotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, single family residence or any portion thereof, public or private club, mobile home or house trailer, at a fixed location, or any similar type of structure. ([Sec. 4.72.020 D Definitions](#))

3. What is the definition of “Occupancy”?

“Occupancy” means taking possession of a room(s) for the purpose of dwelling, sleeping, or lodging. ([Sec.4.72.020 E Definitions](#))

4. Who is an “Operator”?

An “Operator” is the proprietor of the Hotel, whether as the owner, lessee, sub-lessee, mortgagee in possession, licensee or any other capacity. When the Operator performs these functions through a managing agent, that agent is legally deemed an Operator with the same duties and liabilities as his or her principal. ([Sec. 4.72.020 F Definitions](#))

Online Hosting Platforms use the term “Host” instead of “Operator,” however, this person has the same or similar role as an Operator under [Chapter 4.72-TOT](#)

5. Who is a “Transient” Guest?

A “Transient” Guest is any person who exercises occupancy or is entitled to occupy Hotels by reason of concession, permit, right of access, license, or other agreement for a period of 30 consecutive calendar days or less. ([4.72.020 L Definitions](#))

6. How do you define “Rent”?

“Rent” is the charge, whether received or not, for the occupancy of space in a Hotel, valued in money, whether collected in money, goods, labor or other services of monetary value for the full amount due. ([Sec. 4.72.020 H Definitions](#))

7. What is an “Online Hosting Platform”?

An “Online Hosting Platform” is a web or application-based platform that facilitates rentals and payments for lodging spaces. Examples of Online Hosting Platforms include, but are not limited to, Airbnb, Flipkey, Onefinestay and VRBO.

8. Who is responsible for remitting TOT to the Treasurer and Tax Collector (TTC)?

Operators are responsible for remitting TOT to the TTC.

REGISTERING FOR A TOT CERTIFICATE

9. Is an Operator required to register to remit TOT to the Treasurer and Tax Collector (TTC)?

Yes. Operators who rent to Transient Guests must submit a [Transient Occupancy Tax Registration Application](#) to the TTC within 30 days after commencing business. Upon registration, the TTC will issue to the Operator a “Transient Occupancy Registration Certificate.” ([Sec. 4.72.100 Operator-registration required](#))

COLLECTING TOT

10. When should the Operator collect TOT?

Each Operator should collect the TOT at the same time the rent is due from each Transient Guest. ([Sec. 4.72.080 Collection-Operator's duties](#))

11. When collecting TOT, is there anything else I am required to do?

Yes. For compliance and recordkeeping purposes, the Operator should provide the Transient Guest a receipt for payment showing the amount of TOT separate from the amount of Rent charged. ([Sec.4.72.080-Operator's duties](#))

12. Does an Operator need to charge TOT if they rent a room for less than a full day (e.g., hourly room rates)?

Yes. For the purposes of TOT, any portion of a calendar day is considered a full day and is taxable. ([Sec. 4.72.020 L Definitions](#))

13. If I own a mobile home, recreational vehicle, or house trailer, and rent it out, am I required to charge TOT?

If you rent a mobile home, recreational vehicle, or house trailer at a fixed location to a Transient Guest, it is subject to the TOT. ([Sec. 4.72.020 D Definitions](#)).

14. Do I need to collect and remit both County and city TOT?

No, you do not need to pay both County and city TOT. The County's TOT applies only to properties located within the unincorporated areas of the County. Cities may have their own TOT ordinance and rates. If the property is not located in the unincorporated area of the County, you should consult with the Finance Office of the city in which your property is located. For information on determining the local government jurisdiction, please see instructions [here](#).

REMITTING TOT

15. When is payment of the TOT due from the Operator to the TTC?

Payment is due on or before the last day of the month for the prior month's collection of TOT. ([Sec. 4.72.130 Tax return required monthly](#))

16. If an Operator is writing a check, who does the Operator make it payable to?

Please make checks payable to the "Los Angeles County Treasurer and Tax Collector."

17. Is there anything an Operator needs to include with their TOT payment?

Yes. Operators should include a completed and signed [TOT Monthly Computation Form](#) (Computation Form) with the associated payment. ([Sec. 4.72.130 Tax return required monthly](#))

18. Where do Operators mail their TOT payment and Computation Form?

Operators should mail their TOT payment and Computation Form to:

Los Angeles County Treasurer and Tax Collector
P.O. Box 30909
Los Angeles, CA 90030-0909

19. May Operators send TOT payments by a courier for overnight delivery?

Yes, but if the courier service does not deliver to a United States Postal Service Post Office Box, the Operator should send their TOT payment and Computation Form to:

Los Angeles County Treasurer and Tax Collector
Transient Occupancy Tax Unit
c/o Mailroom (Room 137B)
500 West Temple Street
Los Angeles, CA 90012-2713

20. May Operators make payments by Automated Clearing House (ACH)?

Yes. The TTC allows Operators to pay by ACH. If you are an Operator and interested or need further information, please contact the Transient Occupancy Tax Unit at tot@tfc.lacounty.gov.

21. What if an Operator pays late, does not pay, or does not provide sufficient payment?

- Any Operator who fails to remit TOT within the time required shall pay a penalty of 10% of the amount of the unpaid TOT in addition to the amount of the TOT. ([Sec. 4.72.160 Latepayment-Penalty](#))
- If the payment remains delinquent 30 days after the date on which the TOT first became delinquent, the amount of the unpaid TOT is subject to a second penalty of 10%, in addition to the amount of the tax and the first 10% penalty. ([Sec. 4.72.170 Late payment-Continued delinquency penalty](#))
- In addition to the penalties imposed, delinquent TOT is subject to interest at the rate of 1.5% per month, or fraction thereof, on the amount of the unpaid tax, exclusive of penalties, from the date on which the TOT first became delinquent until paid. ([Sec. 4.72.190 Late payment interest imposed](#))

EXEMPTIONS

22. Are there any exemptions from TOT?

Yes. Any Transient Guest who meets at least one of the criteria listed below is not subject to the TOT, if they complete and submit to the Operator a [Transient Occupancy Tax Designated Exemptions Application Form](#). The Operator is required to keep the completed exemption form on file.

- Any person as to whom, or any occupancy as to which, it is beyond the power of the County to impose the tax.
- Any federal or State of California officer or employee on official business.
- Any officer or employee of a foreign government who is exempt by a provision of federal law or international treaty.

- Emergency shelter referrals by County, County-affiliated, or State agencies, including, but not limited to, the Los Angeles County Department of Public Social Services, the Los Angeles County Department of Children and Family Services, the Los Angeles Homeless Services Authority, and the State Department of Corrections and Rehabilitation.
- Any Red Cross, Amtrak, United States Postal Service, Federal Credit Union or Insurance Company employee on official government business.

Please note that persons who are employees of non-profit agencies [e.g., 501(c)(3) organizations and religious institutions] are **not** exempt from the TOT.

([Sec.4.72.060 Exemptions-Designated](#))

23. Is a person exempt from TOT if they stay longer than 30 days?

If a person plans to stay longer than thirty days, the first 30 days of their stay is exempt from the TOT if they complete and submit to the Operator the [Transient Occupancy Tax Over Thirty Day Stay Exemption Application Form](#), within the first 30 days of the person's Occupancy.

If a person does not plan to stay longer than 30 days, but ends up staying longer than 30 and does not complete and submit to the Operator the [Transient Occupancy Tax Over Thirty Day Stay Exemption Application Form](#) within the first 30 days, the first 30 days of their stay is subject to the TOT.

The Operator is required to keep the completed exemption form on file.

RECORDKEEPING

24. What are my responsibilities as an Operator to document a TOT exemption?

If a Transient Guest meets the criteria for a TOT exemption, they are required to complete the applicable exemption form ([Transient Occupancy Tax Designated Exemption Application Form](#) and/or [Transient Occupancy Tax Over Thirty Day Stay Exemption Application Form](#)) and submit it to the Operator. They should complete and submit the exemption form before the time the Operator collects the rent.

Operators should ensure that they have an exemption form for all exemptions listed on each Computation Form. Operators do not need to submit completed exemption forms to the TTC. However, Operators must keep completed forms on file for a minimum of three (3) years and make them available for inspection at the TTC's request. ([Sec.4.72.070-Claim requirements](#))

25. What are some of the general TOT recordkeeping and compliance requirements as it relates to inspections and audits?

Every Operator liable for collecting and remitting the TOT to the TTC is required to keep and preserve all records necessary to determine the amount of tax for which the Operator is responsible to collect and remit for a minimum of three (3) years. The TTC has the right to inspect the records maintained by the Operator at any reasonable time. ([4.72.090 Recordkeeping requirements](#))

REFUNDS

26. How can an Operator request a refund of the TOT they previously paid to the TTC?

An Operator can request a refund of TOT that has been overpaid, paid more than once, or erroneously or illegally collected or received. To do so, the Operator must complete and submit a [Transient Occupancy Tax Refund Claim Form](#) to the TTC within three (3) years of the overpayment, double payment, or erroneous collection of the TOT. ([Sec.4.72.310 Refunds-Claim filing requirements](#))

If the TTC approves the refund, the Operator will be able to apply the refund as credit to subsequent TOT remittances to the TTC. The Operator will only receive a paid refund if it they can show that the Hotel is no longer operating. ([Sec. 4.72.330 Refunds-Paid to Operator when](#))

27. How can a Transient Guest request a refund of the TOT they previously paid to the TTC?

A Transient Guest may request a refund of the TOT that has been overpaid, paid the more than once, or erroneously or illegally collected or received by the Operator. However, the Transient Guest needs to first request the refund from the Operator.

If the Transient Guest is unsuccessful in obtaining the refund from the Operator, the Transient Guest may complete and submit a [Transient Occupancy Tax Refund Claim Form](#) to the TTC within three years of the overpayment, double payment, or erroneous collection of the TOT. The Transient Guest will also need to provide evidence that they were unable to obtain a refund from the Operator who collected and remitted the TOT. ([Sec. 4.72.340 Refunds-Paid to guest when](#))

MISCELLANEOUS

28. I purchased a hotel/motel recently, or I am soon to purchase a hotel/motel. How do I know if the former owner has an unpaid TOT liability to the TTC?

Effective January 1, 2005, [Section 7283.5 of the California Revenue and Taxation Code](#) was revised to permit the TTC to issue a Transient and Occupancy Tax Clearance Certificate to the new owner in connection with the purchase of a hotel/motel. If the new owner does not request the certificate, then the new owner

inherits the previous owner's TOT debt (unreported, under-reported, or unpaid). If the new owner requests the Certificate, but the TTC does not participate in the Certificate Program, then the newowner is not liable for any TOT obligations incurred prior to the purchase or transfer of the property.

29. I am an Operator, but I was not aware of the TOT requirements prior to commencing business. What do I do?

If your business engaged in rental activity in the unincorporated area of Los Angeles County to a Transient Guest who stayed 30 days or less, you are liable for past taxes. Not being aware of the TOT requirements does not relieve the Operator from the obligation to collect and remit TOT. Please complete and submit [the TOT Registration Application](#), a [TOT Monthly Computation Form](#) for each month during which your business engaged in rental activity, and the associated payment to TTC.

SHORT-TERM RENTALS

30. I am a Short-Term Rental (STR) Operator; can an Online Hosting Platform handle TOT responsibilities on my behalf?

No. It is the Host's responsibility to collect and remit the TOT to the TTC.

31. When was the STR Ordinance approved and when will it be effective?

The County Board of Supervisors adopted the STR Ordinance for the unincorporated areas of the County on April 9, 2024. All STR Hosts must be in compliance with the STR Ordinance by October 7, 2024.

For more information, please refer to the document available online here : <https://ttc.lacounty.gov/wp-content/uploads/2024/03/STR-Terms-and-FAQ-Final-3.21.2024.pdf>.

CONTACT INFORMATION

| | |
|------------|--|
| TOT | TTC Transient Occupancy Tax Unit Phone: (213) 893-7984 Email: tot@ttc.lacounty.gov Business Hours: Monday-Friday, 8:00 a.m. to 4:00 p.m. PT |
| STR | TTC Business License Section Phone: (213) 974-2011 Email: STRentals@ttc.lacounty.gov Business Hours: Monday-Friday, 8:00 a.m. to 4:00 p.m. PT |