



Philip J. Kellam  
*Commissioner*

# Commissioner of the Revenue

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[www.vbgov.com/cor](http://www.vbgov.com/cor)

August 25, 2021

Re: 2021 Legislation regarding Transient Occupancy Taxes  
Account #:                      Item #:

Dear Taxpayer Trustee,

Effective September 1, 2021, accommodations intermediaries as defined by the General Assembly are required to collect transient occupancy taxes on accommodation fees imposed by accommodations intermediaries for the sale of rooms. As a result of this code change, this may cause additional accounting for hotels associated with these accommodations intermediaries.

These changes require maintaining the necessary records, showing the number rooms as well as the price for each room sold to intermediaries beginning September 1, 2021. The amended code will require intermediaries to collect and remit lodging taxes on the amounts charged in excess of the price paid to the hotel for the room, which is referred to in the legislation as the "discount room charge."

A copy of the Virginia Acts of Assembly can be found on our website at [www.vbgov.com/cor](http://www.vbgov.com/cor). Please review it and contact me directly with any questions or concerns by phone at 757.385.5776, by fax at 757.385.8508, email me anytime at [tglee@vbgov.com](mailto:tglee@vbgov.com), or visit our office Monday thru Friday 8:00AM to 5:00PM.

Sincerely,

A handwritten signature in cursive script that reads "Timothy Lee".

Timothy G. Lee  
Deputy Commissioner for Audit