



Room Occupancy Tax

In July, 1986, the Durham County Commissioners levied a Room Occupancy Tax of 3% on gross receipts derived from the rental of any room, lodging or similar accommodation furnished by a hotel, motel, inn or similar place within the County that is subject to sales tax imposed by the State under NCGS 105-164.4(3). The Room Occupancy Tax also applies to rooms or houses rented by individuals through websites including, but not limited to, Airbnb, VRBO, Windu, Roorama, etc. An additional Occupancy Taxes of two percent (2%) was enacted in 1991 and one percent (1%) in 2002 for current total tax of six percent (6%). The tax does not apply to accommodations furnished by nonprofit charitable, educational or religious organizations when furnished to further their nonprofit purpose. Also excluded are accommodations furnished to the same person for at least ninety (90) consecutive days.

General Information

- The room occupancy tax applies to the same gross receipts as the State sales tax on accommodations and is calculated in the same manner as that tax.
- Every person, firm, corporation, or association liable for the tax shall, on or before the twentieth (20th) day of each month, prepare and render a return on a form prescribed by the taxing county. A penalty will be imposed for failure to file a return.
- Reports shall be deemed to be received as of the date shown on the postmark affixed by the U.S. Postal Service or the date received in the office of the tax collector.
- The tax shown to be due must be paid when the report is filed or penalties will be charged. Room occupancy tax is due and payable on or before the twentieth (20th) day of the month following the month in which the tax accrues. Failure to pay tax when due will result in a penalty being imposed.
- You must file a report each month **even if you do not owe any tax**.
- In case of failure to file any return on the date it is due (determined with regard to any extension of time for filing) a penalty equal to five percent (5%) of the amount of the tax shall be assessed if the failure is for not more than one month, with an additional five percent (5%) for each additional month, or fraction thereof, during which the failure continues, not exceeding twenty-five percent (25%) in aggregate (N.C.G.S. 105-236(3)).
- In the case of failure to pay any tax when due, without intent to evade the tax, a penalty shall be assessed equal to ten percent (10%) of the tax (N.C.G.S. 105-236(4)).
- Penalty for Bad Checks. - When the bank upon which any uncertified check is drawn returns the check because of insufficient funds or the nonexistence of an account of the drawer, a penalty shall be assessed equal to ten percent (10%) of the check, subject to a minimum of one dollar (\$1.00) and a maximum of one thousand dollars (\$1,000) (N.C.G.S. 105-236(1)).
- A room occupancy tax return filed with the Durham County Tax Office is not a public record and may not be disclosed except in accordance with G.S. 153A-148.1 or G.S. 160A-208.1.
- Remittance should be made by check or money order made payable to the Durham County Tax Collector, PO BOX 3397, Durham NC 27702.

For additional information or questions regarding the Room Occupancy tax, please call Durham County Tax Administration at **919-560-0300**