

Lake County 4% Lodging Tax

Starting October 1, 2020, Lake County will have a 4% Lodging tax. The Minnesota Department of Revenue will administer this tax. Revenues will fund the projects identified in the Lake County Ordinance No. 24.

Lodging is the rental of a room or rooms for a temporary place to stay or live. Lodging facilities include hotel, motel, rooming house, tourist court, or trailer camp located within the county by a hotel or motel:

- Less than 30 days; or
- 30 days or more, with no enforceable written lease of agreement.
 - An enforceable written agreement must be entered into at the time of sale (day one or before) if the stay will be 30 days or more. This enforceable written agreement must include a termination clause, date, and signature.

Lodging-related services provided within a guest room are taxable. Examples include (but not limited to):

- cots, cribs, refrigerators, roll-away beds, and exercise equipment
- food or liquor from mini-bars and refrigerators
- in-room safes
- laundry and dry-cleaning services
- pay-per-view movies and video games
- room service or room delivery, including mandatory tips and gratitude's

For more information, see Fact Sheet 164S, *Special Local Taxes*.

Who must register

All hotels, lodging facilities, accommodation intermediaries, and accommodations providers making sales in Lake County must register for Lake County Lodging Tax.

Registering for the tax

If you file Sales and Use Tax returns online, you can register for this tax either before or when you file your October 2020 return.

To register before you file:

1. Log in to e-Services and access your Sales and Use Tax account.
1. In the I Want To section, click **Manage locations**.
2. In the Existing Sales Locations list, click the **Location Code number** for the location you want to edit.
3. Click **Edit Location** at the bottom of the page. If the General Information and the NAICS code are correct, click **Next**.
4. If the address information is correct, click **Next**. Click **Next** again to go to the list of local taxes.
5. Select the check box for Lake County Lodging Tax. Select the **Next** button.
6. Select **Next** if you do not need to add any Local Sales Taxes.
7. Review the page and verify the new local tax is listed under Local Sales and Other Taxes – Lake County Lodging Tax is listed. If the new tax is listed, click **Submit**.
8. Review and print the Confirmation Summary. You can then click **Close**.

To register when you file:

You can add a local tax when filing a return:

1. Select the dropdown arrow next to the blank row on the return.

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2. Select the local tax you need to add.
3. Enter the dollar amount for this local tax.

The new tax will be on your return the next time you file.

If you file by phone:

You must register for this tax before you file your return. To register, call 651-282-5225 or email us at salesuse.tax@state.mn.us. If you send an email, include your Minnesota Tax ID Number.

Reporting the tax

Report the Lake County Lodging tax when you report your Minnesota Sales and Use tax. Each local tax is reported on a separate line of your return. Lake County Lodging tax is line number 661.

Calculating the tax

To calculate the tax:

1. Add the 6.875 percent state sales tax rate and the 4 percent Lake County Lodging rate.
2. Apply the combined 10.875 percent rate, plus any other local taxes that apply, to the sales price. For more information, see Fact Sheet 164S, *Special Local Taxes*.
3. Round the total to the nearest full cent.

When to charge the tax

Charge the Lake County Lodging tax when customers buy taxable items or services in Lake County, unless they give you a valid exemption certificate.

Local governments

Local governments are required to pay the Lake County Lodging tax. Generally, they must pay local special taxes in Minnesota, but not local general taxes.

Local governments include cities, counties, instrumentalities, political subdivisions, commissions, special districts, and government boards.

Information and Assistance

Call: 651-296-6181 or 1-800-657-3777 (toll-free)

Fax: 651-556-3102

Email: salesuse.tax@state.mn.us

Write: Minnesota Revenue
Sales and Use Tax Division
Mail Station 6330
St. Paul, MN 55146-6330

Or visit our website at www.revenue.state.mn.us