

September 11, 2019

Dear Operator:

The purpose of this letter is to provide clarification regarding refunds of Transient Occupancy Tax (TOT) to customers. If a customer pays the TOT upon reservation, and cancels their reservation in advance of their stay, the customer is entitled to a full refund of the TOT.

Long Beach Municipal Code (LBMC) Section 3.64.010(L) defines transient as "any occupant who, for a period of not more than thirty (30) consecutive days, either at his or her own expense or at the expense of another, obtains the right of occupancy of a guestroom, for which occupancy rent is charged." If a customer cancels their right to occupy the guestroom, they are no longer considered a transient; therefore, they shall be entitled to a full refund of the TOT.

If an operator has already remitted payment of the TOT to the City prior to the customer cancelling their reservation, the operator may either:

1. Request a refund from the City by submitting a Claim for Refund form, along with proof that the TOT collected has been refunded to the customer; or
2. Apply the refunded TOT as credit towards a future TOT reporting by detailing the refunded amount on Line A-2 of the Transient Occupancy Tax Computation form. This amount will then be deducted from the total amount due for that reporting month.

If an operator has collected TOT from the customer, but not remitted payment of the TOT to the City, and the customer subsequently cancels their reservation, the operator shall issue a full refund directly to the customer.

We appreciate your attention to this matter. Should you have any questions regarding this notice, please contact our office at (562) 570-6211.

Sincerely,



Brett Yakus  
Business Services Officer

