

YOU OWE TAX ON HOTELS IF: | You are operating a hotel or vacation rental in Lake Havasu City.

DEFINITION OF A HOTEL: | “Hotel” means any public or private hotel, inn, hostelry, **tourist home, house**, motel, rooming house, apartment house, trailer, or other lodging place within the City offering lodging, wherein the owner thereof, for compensation furnishes lodging to any **transient**, except foster homes, rest homes, sheltered care homes, nursing homes, or primary health care facility.

DEFINITION OF TRANSIENT: | “Transient” means any person who either at the person's own expense or at the expense of another obtains lodging space or the use of lodging space on a daily or weekly basis, or on any other basis for less than thirty (30) consecutive days.

LAKE HAVASU CITY TAX RATE: | The tax rate shall be at an amount equal to two percent (2%) of the gross income from the business activity upon every person engaging or continuing in the business of operating a hotel charging for lodging and/or space furnished to any Transient. (City Code - Section 3.04-444)

LAKE HAVASU CITY ADDITIONAL TAX FOR TRANSIENT LODGING: | In addition to the taxes levied as provided in Section 3.04-444 above; there is an additional tax in the amount of three percent (3%) of the gross income levied per Section 3.04-447 of the City Code.



RENTAL PERIODS: | If a “Hotel” rents out a unit for a rental period over 30 days, no tax is due, this is considered residential rental.

If a “Hotel” rents out a unit for a rental period less than 30 days (daily/weekly) all taxes apply even if the person stays for years.

Examples:

I go to a “Hotel” and sign a lease for 60 days. There is no tax because I have rented the unit for over 30 days.

I go to a “Hotel” and rent the unit for one week at a time and I stay for 60 days. The full tax rate applies for the 60 days.

When filing your Arizona State Transaction Privilege Tax (TPT) you will use the following descriptions and codes:

State/County – MOH

Lake Havasu City – LH

Business Description	Region Code	Business Class	Percentage %
Transient Lodging	MOH	025	5.50%
Hotels	LH	044	2.00%
Hotels/Motel (Add'l Tax)	LH	144	3.00%
Total			10.50%

This publication is for general information only about Transaction Privilege Tax (TPT) on income from “Hotel & Vacation Rental” activities. This is an informal and nonbinding communication.

For complete details, refer to Lake Havasu City Code for Privilege and Excise Taxes. In case of inconsistency or omission in this publication, the language of the Tax Code will prevail. The transaction privilege tax is commonly referred to as a sales tax; however, the tax is on the privilege of doing business in Lake Havasu City and is not a true sales tax.

Lake Havasu City Code in its entirety can be found at:

<https://codelibrary.amlegal.com/codes/lakehavasucity>