

**TENTH NORTHERN MARIANAS  
COMMONWEALTH LEGISLATURE**

***PUBLIC LAW NO. 10-75***  
**SENATE BILL**  
**NO. 10-55, SD1**

**THIRD SPECIAL SESSION, 1996**

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**AN ACT**

To amend 4 CMC §1502, to clarify the definition of hotel, lodging house, or similar facility subject to the hotel occupancy tax; and for other purposes.

**BE IT ENACTED BY THE TENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:**

Section 1. Findings. The legislature finds that there is some confusion regarding what constitutes a hotel, lodging house, or similar facility which is subject to the occupancy tax. The Legislature finds and declares that the intent of the hotel occupancy tax as enacted by Public Law 3-11 and reenacted by Public Law 9-22 was and is that every person who rents, leases, or lets for consideration any living quarters or accommodations in any hotel, motel, resort motel, apartment, apartment motel, rooming house, or condominium for a term of 3 months or less, is exercising a taxable privilege on the proceeds therefrom. The intent was and is not to tax persons who rent living accommodations rather than owning their homes, but to provide a tax on the rental of lodging facilities that primarily serve transient guests.

Section 2. Amendment. 4 CMC §1502 is hereby amended to read as follows:

“(a) An occupancy tax is imposed upon transient occupants of a room or rooms in a hotel, lodging house, motel, resort motel, apartment, apartment motel, rooming house, condominium, or similar facility located in the Commonwealth. The tax shall be ten percent (10%) of the amount charged or paid for the accommodations.”

“(b) The tax imposed by this section shall be collected by the person who operates, owns or manages a hotel, lodging house, motel, resort motel, apartment, apartment motel, rooming house, condominium, or similar facility as and when paid or charged to the hotel, lodging house, motel, resort motel, apartment, apartment motel, rooming house, condominium, or similar facility.”

“(c) Every person required to collect the tax imposed by this section shall, on or before the 20th day of the succeeding month make a monthly return to the Secretary and pay over the taxes required to be collected for the previous month.”

Section 3. Severability. If any provision of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

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Section 4. Effective Date. This Act shall take effect upon its approval by the Governor or upon its becoming law without such approval.

**CERTIFIED BY:**

**ATTESTED BY:**

/s/ Jesus R. Sablan  
JESUS R. SABLAN  
PRESIDENT OF THE SENATE

/s/ Henry DLG. San Nicolas  
HENRY DLG. SAN NICOLAS  
SENATE LEGISLATIVE SECRETARY

Approved this 19th day of December, 1997.

/s/ Froilan C. Tenorio  
FROILAN C. TENORIO  
GOVERNOR  
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS