

Missouri Department of Revenue Taxation Division  
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MISSOURI DEPARTMENT OF  
**REVENUE**  
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December 17, 2024

ABC Hotel  
1234 Main Drive  
City, State, Zip

Dear Business Owner:

This letter is a courtesy reminder of the statutes applicable to hotels and room rentals. While these statutes have been in effect for many years, you may not have been aware of its implications on your business.

Section 144.020.1(6), RSMo, imposes a sales tax on the amount of sales or charges for “all rooms, meals, and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist cabin, tourist camp or other place in which rooms, meals or drinks are regularly served to the public.” The Department has added information to our website regarding the below points that can be found at:

[dor.mo.gov/taxation/business/audit/industry-association-letters.html](https://dor.mo.gov/taxation/business/audit/industry-association-letters.html)

- Many hotels may offer a number of amenities to guests as part of their stay. Depending on the nature of the charge, these charges may or may not be considered taxable for sales tax purposes. A list of taxable and non-taxable amenities have been added to the Departments website which may be found at:  
<https://dor.mo.gov/taxation/business/industry-tax-matrices.html>
- Do you offer consecutive 30-day (or more) room rentals as part of your hotel operations? The Department has issued regulatory guidance on this issue, 12 CSR 10-110.220 (Hotels and Motels).  
<https://www.sos.mo.gov/cmsimages/adrules/csr/current/12csr/12c10-110.pdf> This regulation defines a permanent resident and mentions the taxability of these types of stays. A list of nuances to the tax you should be aware of for these types stays have been added to the Departments website.  
[https://dor.mo.gov/taxation/business/documents/HotelsandMotels\\_001.pdf](https://dor.mo.gov/taxation/business/documents/HotelsandMotels_001.pdf)
- Do you use third-party booking sites? Per Section 144.018.3, RSMo, the taxable service of providing rooms to the public cannot be purchased for “resale.” Therefore, you are still the “seller” of the room for purposes of collecting sales tax from customers and sales of hotel rooms from these types of booking sites are still taxable as gross receipts on Missouri sales tax returns. The third-party sellers are not responsible for collecting and remitting sales tax.
- Hotels also have many reusable and non-reusable items they may purchase for use in a hotel room. The Department has added guidance on our website regarding these reusable and non-reusable items.
- Additionally, be aware that Section 144.011.1(12) allows hotels to purchase the portion of utilities (electricity, gas, water) tax exempt that is used to heat, cool, or provide power or water to guests rooms, meeting rooms, and banquet rooms. The hotel can give a resale exemption certificate to its utility providers. However, when the hotel files its sales tax returns, it would add the dollar amount of its utility purchases that were not consumed in guest rooms, meeting rooms, banquet rooms, or other rooms where sales tax was charged and paid, <https://dor.mo.gov/taxation/business/tax-types/sales-use/hotel-utility-formulas/>

We seek to help you maintain and grow your business while complying with state tax laws. We look forward to working with you and thank you for your time.

Sincerely,

Taxation Division