FOR IMMEDIATE RELEASE   Contact: Rep. Joel Kitchens
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Rep. Kitchens' room tax bill becomes law

MADISON, Wis. – Rep. Joel Kitchens, R-Sturgeon Bay, is pleased that the governor has signed into law his bill that helps to ensure local municipalities are receiving the correct amount of room tax revenue from short-term rental companies.

"I am glad the governor recognizes the importance of my legislation and the impact the room tax has on our state and our tourism industry," Rep. Kitchens said. "With this new law, all of our local residents can be confident in the fact that they will now get their fair share of room tax revenue to improve their own communities."

Back in 2019, the Legislature passed a bill that required marketplace providers – such as Airbnb and Vrbo – to collect and remit the room tax on behalf of their short-term rental clients. However, it became common practice for the lodging marketplace businesses to remit the tax revenue based on zip codes.

"Because there are many areas in Wisconsin where several communities share the same zip code, there was no way of knowing whether each municipality was receiving the correct amount of room tax revenue," Rep. Kitchens said. "With this new law, that will no longer be the case."

Wisconsin Act 55 makes it as easy as possible for lodging marketplaces to comply with the law and meet their room tax obligations. The state Department of Revenue is now required to create a form for these businesses that seeks the following information: the total sales for properties located in a municipality with a room tax, the total number of nights such properties were rented, the room tax rate and the total tax due. The forms will not ask for the addresses of the individual properties.

Furthermore, the DOR will post on its website the name of each municipality that imposes a room tax, the rate of the room tax and the mailing address of the municipality.

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