      (i)   4% from January 1, 2005 through December 31, 2006; and

      (ii)   3% on or after January 1, 2007; and

   [(11)] (12) 5% in Wicomico County.

   (c)   (1)   Notwithstanding subsection (b)(1) of this section, a code county, other than a code county in the Western Maryland class, may set a hotel rental tax rate that is greater than 3%, but not exceeding 5%, with the unanimous consent of the county commissioners for the county.

      (2)   Notwithstanding subsection (b)(1), a code county in the Western Maryland class may set a hotel rental tax rate that is greater than 3%, but not exceeding 8%, with the unanimous consent of the county commissioners for the county.

   (d)   The hotel rental tax rate in Washington County is 6%.

9–305.

   (a)   Calvert County and St. Mary's County may provide, by resolution, a tax exemption for classes of hotels.

   (b) .   In Frederick County, the hotel rental tax does not apply to a hotel with 10 or fewer sleeping rooms in its main building and no more than 20 additional sleeping rooms in auxiliary structures on the hotel's property.

   (c)   In Washington County, the hotel rental tax does not apply to a transient charge paid to a hotel by:

      (1)   The federal government;

      (2)   A state; or

      (3)   An agency or instrumentality of a state or of the federal government.

   (D)   IN CARROLL COUNTY, THE HOTEL RENTAL TAX DOES NOT APPLY TO A HOTEL WITH 10 OR FEWER SLEEPING ROOMS.

9–308.

   A person shall pay the hotel rental tax to the hotel when the person pays the transient charge.

9–309.

   (a)   A hotel shall:

      (1)   Give the person who is required to pay a transient charge a bill that identifies the transient charge as a separate item from any other charge; and

      (2)   Collect the hotel rental tax from the person who pays the transient charge.