

Defined terms: "Hotel rental tax" § 9-301
"Person" § 1-101

9-326. SECURITY FOR TAXES.

(A) AUTHORIZED.

(1) TO PROTECT HOTEL RENTAL TAX REVENUE, AN AUTHORIZED COUNTY MAY REQUIRE A HOTEL TO FILE SECURITY WITH THAT COUNTY IN AN AMOUNT THAT THE COUNTY DETERMINES.

(2) TALBOT AND WICOMICO COUNTIES MAY REQUIRE SECURITY UNDER THIS SECTION ONLY IF A HOTEL HAS BEEN IN DEFAULT.

(B) FORM.

SECURITY UNDER THIS SECTION SHALL BE:

(1) A BOND ISSUED BY A SURETY COMPANY THAT IS:

(i) AUTHORIZED TO DO BUSINESS IN THE STATE; AND
(ii) APPROVED BY THE INSURANCE COMMISSIONER AS TO SOLVENCY AND RESPONSIBILITY;

(2) CASH; OR

(3) SECURITIES APPROVED BY THE COUNTY.

(C) NOTICE.

IF SECURITY IS REQUIRED UNDER THIS SECTION, THE COUNTY SHALL GIVE THE HOTEL NOTICE OF THE AMOUNT OF SECURITY.

(D) REQUIRED RESPONSE.

WITHIN 5 DAYS AFTER A HOTEL RECEIVES NOTICE THAT SECURITY IS REQUIRED, THE HOTEL SHALL:

(1) FILE THE SECURITY; OR

(2) SUBMIT A WRITTEN REQUEST FOR A HEARING ON THE SECURITY REQUIREMENT.

(E) HEARING.

(1) IF A HEARING IS REQUESTED, THE COUNTY SHALL HOLD A HEARING TO DETERMINE THE NECESSITY, PROPRIETY, AND AMOUNT OF THE SECURITY.

(2) THE DETERMINATION AT THE HEARING IS FINAL, AND THE HOTEL SHALL COMPLY WITHIN 15 DAYS AFTER THE HOTEL RECEIVES NOTICE OF THE DETERMINATION.

(F) USE OF SECURITY.