

Hotel Utility Formulas

Effective August 28, 2022, **Section 144.011.1(12), RSMo (<https://revisor.mo.gov/main/OneSection.aspx?section=144.011&bid=51410&hl=>)**., the purchase by persons operating hotels, motels, or other transient accommodation establishments of electricity, electrical current, water, natural or artificial gas, which are used to heat, cool, or provide water and power to the guests' accommodations should not be subject to state and local sales taxes.

Hotel Utility Refund - Simplified Formula (</pdf/simplifiedformula.xls>)

This worksheet will assist those hotels and motels who wish to calculate their hotel utilities refund using the simplified method. The link above is to a Microsoft Excel spreadsheet, you must have Microsoft Excel or an Excel Viewer to view this document. Please save the spreadsheet to your computer for future use. Also, once you've issued your exemption certificate to the utility company, you must accrue and remit that portion of utility services purchased that are not resold. Reference "Calculating Taxable Hotel Utilities - Simplified Formula" below to calculate the proper amount of tax to report and remit.

Calculating Taxable Hotel Utilities - Simplified Formula (</pdf/taxablesimplifiedformula.xls>)

Once hotels and motels issue their resale exemption certificate to their utility, the hotel and motel must accrue and remit the tax on utility services that have not been resold. The hotel or motel must report and remit the sales tax directly to the department on their sales tax return. This worksheet will assist hotels and motels in calculating the proper amount of tax to report using the simplified method.

Hotel Utility Refund - Detailed Formula (</taxation/business/tax-types/sales-use/hotel-utility-formulas/documents/detailedformula.xls>)

This worksheet will assist those hotels and motels who wish to calculate their hotel utilities refund using the detailed method. The link above is to a Microsoft Excel spreadsheet, you must have Microsoft Excel or an Excel Viewer to view this document. Please save the spreadsheet to your computer for future use. Also, once you've issued your exemption certificate to the utility company, you must accrue and remit that portion of utility services purchased that are not resold. Reference "Calculating Taxable Hotel Utilities - Detailed Formula" below to calculate the proper amount of tax to report and remit.

Calculating Taxable Hotel Utilities - Detailed Formula (</taxation/business/tax-types/sales-use/hotel-utility-formulas/documents/taxabledetailedformula.xls>)

Once hotels and motels issue their resale exemption certificate to their utility, the hotel and motel must accrue the tax on utility services that have not been resold. The hotel or motel must remit the sales tax directly to the department. This worksheet will assist hotels and motels in calculating the proper amount of tax to report using the detailed method.