

CITY OF HOMER  
HOMER, ALASKA

ORDINANCE 79-19

AN ORDINANCE AUTHORIZING THE LEVY OF A TAX ON TRANSIENT HOTEL-MOTEL ROOM RENTALS AND OTHER COMMERCIAL SLEEPING ACCOMMODATIONS EQUAL TO 5% OF THE ROOM RENTAL FOR THE FIRST SEVEN (7) DAYS OF OCCUPANCY; PROVIDING FOR COLLECTION PROCEDURES AND RECORD KEEPING; PENALTIES; INCLUSION IN CITY CODE.

WHEREAS, Proposition #6 known as the Hotel/Motel Room Tax was approved by a majority of the voters within the City of Homer in the general election of October 2, 1979.

NOW THEREFORE, the City of Homer ordains:

Section 1. DEFINITIONS. For the purpose of this ordinance the following words are defined as:

- (a) City. Means the City of Homer.
- (b) Guest. Means an individual, corporation, partnership, or association paying or agreeing to pay monetary consideration for the use of a room or rooms in a Hotel/Motel or other commercial sleeping accommodations.
- (c) Hotel/Motel. Means a structure or portion of a structure which is occupied or intended and designed for occupancy by transients for dwelling, lodging or sleeping purposes and includes hotel, motel, inn or similar structure.
- (d) Operator. Means a person and/or entity who furnishes, offers for rent or otherwise makes available rooms in the City in a Hotel/Motel for monetary consideration whether acting directly or through an agent or employee.
- (e) Rents. Means the amount paid as monetary consideration for the use of a room or rooms in a Hotel/Motel or other commercial sleeping accommodations.

Section 2. APPLICABILITY OF TAX. The tax shall be applicable to all transient room rentals and/or other commercial sleeping accommodations unless the rental is specifically exempted from taxation by law, said tax to be equal to 5% of the room rental for the first seven days of occupancy.

Section 3. RESPONSIBILITY FOR PAYMENT-COLLECTION.

(a) Each transient guest is responsible for the room rental tax imposed by this ordinance, and the tax shall be due and payable at the time rent is paid. All unpaid tax shall be due when the transient guest ceases to occupy or use space in the facility.

(b) Every operator and/or owner renting rooms subject to taxation under this ordinance shall collect taxes from transient guests at the time of collection of room rental and shall transmit the same quarterly to the City of Homer. The tax imposed shall be shown on the billing to the guest as a separate and distinct item.

Section 4. RECEIPTS-RECORDS-TRANSMITTAL-DUE DATES-PENALTIES.

(a) Title to the rental taxes collected pursuant to this ordinance shall vest in the City of Homer upon collection. Such taxes shall be safeguarded until transmitted to the City as hereinafter provided. A separate account shall be maintained for all taxes collected. On or before thirty (30) days after the end of each quarter all operators shall prepare and submit a return for the preceding quarter to the Finance Department of the City.

(b) Forms shall be furnished by the Finance Department of the City setting forth the amount received for:

1. Gross Rentals
2. Nontaxable Rentals
3. Taxable Rentals
4. Taxes Collected

In addition the operator may be required to submit such books and records as necessary to substantiate the amounts shown on the return.

(c) The operator shall sign the return and transmit it together with taxes collected on or before the due date. If taxes collected have not been received within thirty (30) days from the end of each quarter the operator shall incur a penalty equal to 10% of the tax liability. If payment is made within thirty (30) days from the end of a quarter a 5% discount on the total tax liability shall be given to the operator.

(d) Every operator engaged in business within the City shall keep and preserve suitable records of all rentals made by him and such other books or accounts to determine the amount of tax he is required to collect. All books and records shall be maintained for a period of one year after any reporting period, and shall be available for examination at reasonable times by the City Finance Officer to ascertain to correctness of a return or to determine the amount of tax collected or levied.

Section 5. CONFIDENTIALITY OF RETURNS. All returns filed with the City pursuant to this ordinance and all data obtained from such returns are confidential, and may not be released for public inspection except to those agencies specifically charged with review and/or audit responsibility by law and/or appropriate court order.

The preceding paragraph does not prohibit the City from collecting and publishing statistical data provided it is cumulative and so long as no identification of particular returns or reports is made.

Section 6. AUTHORIZATION TO COLLECT-CERTIFICATE OF REGISTRATION-DISPLAY-NONTRANSFERABLE-ALTERATION.

(a) Operators shall apply to the Finance Department for a certificate of registration on a form prescribed by the City not later than 10 days from the effective date of this ordinance, the date of commencement of business or the opening of additional places of business. Upon receipt of a properly executed application, the City's Finance Officer will issue without charge a certificate of registration to the operator authorizing the operator to collect the tax at the business address stated on the certificate.

(b) The certificate must be displayed prominently at the registered place of business.

(c) The certificate of registration is nonassignable and nontransferable and must be surrendered to the Finance Department by the operator to whom it was issued upon the operator's cessation of business at the location stated in the certificate. If the business is continued at the same location but the form of business organization is changed, the operator shall surrender his old certificate to the Finance Department for cancellation. The new operator shall file a new application for the certificate of registration, and upon receipt of a properly executed application, a new certificate bearing a new number will be issued. If there is a change of address for the operator's place of business, a new certificate of registration is required bearing the same registration number but showing the new location or address.

Section 7. COLLECTIONS-PROHIBITED ACTS. Taxes due but not paid or taxes collected but not transmitted may be recovered in an action at law against the operator. Tax returns, under this ordinance, shall be prima facie proof of taxes collected but not transmitted. An operator who rents accommodations within the City and thereafter fails to file a return or who rents accommodations upon which a tax is levied hereunder and fails to collect such tax shall incur a civil penalty of double the tax liability.

No person may fail or refuse to pay this tax when it is due and payable to an operator authorized to collect the tax.

An operator may not advertise or state to the public that the tax or any part of it will be assumed or absorbed by the operator or will not be added to the rental or that it will be refunded.

The Common Council of the City of Homer may adopt regulations providing for the application and implementation of this ordinance and providing methods and forms for reporting and collecting the taxes imposed by this ordinance.

Section 8. TAX REVENUE DISBURSEMENT. A separate account in the City's General Fund shall be initiated and maintained to reflect revenues from this tax levy. Disbursements according to the intent of the proposition shall be at the direction of the Common Council of the City of Homer.

Section 9. REVIEW-EVALUATION AND RENEWAL OF TAX. The tax will be in effect for one (1) year from the effective date hereof when it will be subject to review and evaluation, sixty (60) days prior to its expiration, and be renewed upon majority vote by the Council.

Section 10. VIOLATION-PENALTY. Any person who violates or fails to comply with any provision of this ordinance shall be punished by a fine of not more than \$300.00. Every act of violation and every day upon which such violation shall occur shall constitute a separate offense.

Section 11. INCLUSION IN CITY CODE. This ordinance shall be inserted as Article VIII, Chapter 13A, Taxation, of the Homer City Code.

CITY OF HOMER

  
Leo Rhode, Mayor

ATTEST:

  
Becky O'Neill, City Clerk

First Reading 11/26/79

Public Hearing 12/10/79

Second Reading 12/10/79

Effective Date 4/1/80