

ORDINANCE 746 N.S.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
PASO ROBLES AMENDING CHAPTER 5.06, TRANSIENT OCCUPANCY TAX,
OF THE EL PASO DE ROBLES MUNICIPAL CODE

The CITY COUNCIL of the City of El Paso de Robles, California does ordain as follows:

Chapter 5.06 is repealed in its entirety and replaced as follows:

TRANSIENT OCCUPANCY TAX

Sections:

5.06.010	Title
5.06.020	Definitions
5.06.030	Tax Imposed
5.06.040	Exemptions
5.06.050	Operator's duties
5.06.060	Registration
5.06.070	Reporting and remitting
5.06.080	Penalties and interest
5.06.090	Failure to collect and report tax - Determination of tax by tax administration
5.06.100	Appeal
5.06.110	Records
5.06.120	Refunds
5.06.130	Actions to collect
5.06.140	Violations - Misdemeanor
5.06.150	Severability
5.06.160	Effective date.

5.06.010 Title.

This chapter shall be known as the Uniform Transient Occupancy Tax Ordinance of the City of El Paso de Robles. (Ord. 274 N.S. S 1, 1964)

5.06.020 Definitions.

Except where the context otherwise requires, the definitions given in this section govern the construction of this chapter:

- (a) Person. "Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.
- (b) Hotel. "Hotel" means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobilehome or house trailer at a fixed location, or other similar structure or portion thereof.
- (c) Occupancy. "Occupancy" means the use or possession, or the right to the use or possession of any room or rooms or portion thereof, in any hotel for dwelling, lodging or sleeping purposes.
- (d) Transient. "Transient" means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license, time-share arrangement, membership resort arrangement or other agreement for a period of thirty (30) consecutive calendar days or less, counting portions of calendar days as full days; provided however in the case of time-share and membership resorts, the transient is not an owner or a guest of an owner. Any such person so occupying space in a hotel shall be deemed to be a transient until the period of thirty (30) days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy; provided that any person who actually occupies the same premises for a period of thirty-one (31) or more consecutive days shall be deemed exempt from the tax imposed by this Chapter on that specific occupancy. In determining periods of time extending both prior and subsequent to the effective date of this chapter may be considered.

ABJ657

- (e) Rent. "Rent" means the consideration charged, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, included all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever.
- (f) Operator. "Operator" means the person who is proprietor of the hotel, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee, or any other capacity. Where the operator performs his functions through a managing agent of any type or character other than an employee, the managing agent shall also be deemed an operator for the purposes of this chapter and shall have the same duties and liabilities as his principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall, however, be considered to be compliance by both.
- (g) Tax Administrator. "Tax Administrator" means the tax collector of the City.
- (h) Campgrounds. A campground or recreational vehicle park which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, shall be considered a "hotel" for purposes of this chapter, and shall be subject to the tax imposed by Section 5.06.030, notwithstanding the existence or nonexistence of any structure. (Ord. 666 N.S. S 1, 1993; Ord. 274 N.S. S 2, 1964)
- (i) Timeshare and Membership Resorts. A timeshare condominium or apartment or membership resort which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, shall be considered a "hotel" for purposes of this chapter, and shall be subject to the tax imposed by Section 5.06.030, notwithstanding the existence or nonexistence of any such structure.

5.06.30 Tax Imposed.

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of ten (10) ~~nine~~ percent of the rent charged by the operator. The tax constitutes a debt owed by the transient to the city which is extinguished only by payment to the operator or to the city. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel. If for any reason that tax is not paid to the operator of the hotel, the tax administrator may require that such tax be paid directly to the tax administrator. (Ord. 698 N.S. S 1, 1995; Ord. 616 N.S., 1991; Ord. 431 N.S. S 1, 1979; Ord. 415 N.S. S 3, 1978; Ord. 414 N.S. S 3, 1978; Ord. 381 N.S. S 2, 1975)

5.06.040 Exemptions.

No tax shall be imposed upon:

- (a) Any person as to whom, or any occupancy as to which, it is beyond the power of the city to impose the tax provided in this chapter;
- (b) Any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty.
- (c) Any person whose occupancy is thirty-one (31) consecutive days or longer for each stay.
- (d) Complimentary rooms.

No exemption shall be granted except upon a claim therefor made at the time the rent is collected and under penalty of perjury upon a form prescribed by the tax administrator. (Ord. 282 N.S. S 1, 1965; Ord. 274 N.S. S 4, 1964)

5.06.050. Operator's duties.

Each operator shall collect the tax imposed by this chapter to the same extent and at the same time as the rent is collected from every transient. The amount of tax shall be stated separately from the amount of the rent charged, and each transient shall receive a receipt for payment from the operator. No operator of a hotel shall advertise or state in any manner, whether directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, if added, any part will be refunded except in the manner hereinafter provided. (Ord. 274 N.S. S 5, 1964)

5.06.060. Registration.

Within thirty days after the effective date of the ordinance codified in this chapter, or within thirty days after commencing business, whichever is later, each operator of any hotel renting occupancy to transients shall register said hotel with the tax administrator and obtain from him a "transient occupancy registration certificate", to be at all times posted in a

ABJ657

conspicuous place on the premises. Said certificate shall, among other things, state the following:

- (1) The name of the operator;
- (2) The address of the hotel;
- (3) The date upon which the certificate was issued;
- (4) "This Transient Occupancy Registration Certificate signifies that the person named on the face hereof has fulfilled requirements of the Uniform Transient Occupancy Tax Ordinance by registering with the tax administrator for the purpose of collecting from transients the transient occupancy tax and remitting said tax to the tax administrator. This certificate does not authorize any person to conduct any unlawful business or to conduct any lawful business in an unlawful manner, nor to operate a hotel without strictly complying with all local applicable laws, including but not limited to those requiring a permit from any board, commission, department or office of this city. This certificate does not constitute a permit." (Ord. 274 N.S. S 6, 1964)

5.06.70 Reporting and remitting.

Each operator shall, on or before the last day of the month following the close of each calendar month, make a return to the tax administrator, on form provided by him, of the total rents charged and received and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the tax administrator. The tax administrator may require further information in the return. Returns and payments are due immediately upon cessation of business for any reason. All taxes collected by operators pursuant to this chapter shall be held in trust for the account of the city until payment thereof is made to the tax administrator. (Ord. 274 N.S. X 7, 1964)

5.06.080 Penalties and interest.

- (a) ORIGINAL DELINQUENCY. Any operator who fails to remit any tax imposed by the chapter within the time required shall pay a penalty of ten percent of the amount of the tax in addition to the amount of the tax.
- (b) CONTINUED DELINQUENCY. Any operator who fails to remit any delinquent remittance on or before thirty days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten percent of the amount of the tax in addition to the amount of the tax and the ten percent penalty first imposed.
- (c) FRAUD. If the tax administrator determines that the nonpayment of any remittance due under this chapter is due to fraud, a penalty of twenty-five percent of the amount of the tax shall be added thereto in addition to the penalties stated in subsections (a) and (b) of this section.
- (d) INTEREST. In addition to the penalties imposed, any operator who fails to remit any tax imposed by this chapter shall pay interest at the rate of one percent per month or fraction thereof on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent until paid.
- (e) PENALTIES MERGED WITH TAX. Every penalty imposed and such interest as accrues under the provisions of this section shall become a part of the tax herein required to be paid. (Ord. 274 N.S. S 8, 1964)

5.06.090 Failure to collect and report tax - Determination of tax by tax administrator.

If any operator fails or refuses to collect the tax and to make, within the time provided in this chapter, any report and remittance of the tax or any portion thereof required by this chapter, such tax shall become a debt owed by the operator to the city and the tax administrator shall proceed in such manner as he may deem best to obtain facts and information on which to base his estimate of the tax due. As soon as the tax administrator shall procure such facts and information as he is able to obtain upon which to base the assessment of any tax imposed by this chapter and payable by any operator who has failed or refused to collect the same and to make such report and remittance, he shall proceed to determine and assess against such operator as a debt owed by the operator to the city, the tax, interest and penalties provided for by this chapter. In case such determination is made, the tax administrator shall give a notice of the amount so assessed by serving it personally or by depositing it in the United States mail, postage prepaid, addressed to the operator so assessed at his last known place of address. Such operator may within ten days after the serving or mailing of such notice make application in writing to the tax administrator for a hearing on the amount assessed. If application by the operator for a hearing is not made

ABJ657

within the time prescribed, the tax, interest, penalties, if any, determined by the tax administrator shall become final and conclusive and immediately due and payable. If such application is made, the tax administrator shall give not less than five days written notice in the manner prescribed herein to the operator to show cause at a time and place fixed in the notice why the amount specified therein should not be fixed for such tax, interest and penalties. At such hearing, the operator may appear and offer evidence why the specified tax, interest and penalties should not be so fixed. After the hearing the tax administrator shall determine the proper tax to be remitted and shall thereunder give written notice to the person in the manner prescribed herein or such determination and the amount of the tax, interest and penalties. The amount determined to be due shall be a debt owed by the operator to the city and shall be payable after fifteen days unless an appeal is taken as provided in Section 5.06.100. (Ord. 406 N.S. S 2, 1977)

5.06.100 Appeal.

Any operator aggrieved by any decision of the tax administrator with respect to the amount of such tax, interest and penalties, if any, may appeal to the by filing a notice of appeal with the city clerk within fifteen days of the serving or mailing of the determination of tax due. The city council shall fix a time and place for hearing such appeal, and the city clerk shall give notice in writing to such operator at his last known place of address. The findings of the city council shall be final and conclusive and shall be served upon the appellant in the manner prescribed above for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of notice. (Ord. 274 N.S. S 10, 1964)

5.06.110 Records.

It shall be the duty of every operator liable for the collection and payment to the city of any tax imposed by this chapter to keep and preserve, all records as may be necessary to determine the amount of such tax as may have been liable for the collection of and payment to the city, which records the tax administrator shall have the right to inspect at all reasonable times.

Records deemed necessary to determine the amount of any such tax shall be identified by resolution duly adopted by the city at a regular meeting which may be modified from time to time as desired by the city.

All records so identified by resolution and any other records relevant to the subject matter of the operation of the hotel shall be made available for inspection by the Tax Administrator within 10 calendar days of written notice. All records shall be made available for inspection and copying by the city. Any hotel records disclosing the name of any guest or any personal information about a guest shall be treated as confidential by the city.

All of the records deemed necessary to determine the amount of any such tax, shall be maintained by each operator for a period not less than three (3) years, unless the operator has received notice that the city will be auditing its records or the city is in the process of auditing the operator's records. If the operator has notice of an impending or ongoing audit, then the operator shall keep the required records for the time period specified in the notice until the audit has been completed and all obligations under this ordinance as paid in full; however, under no circumstances shall the records be maintained for less than three years from the date the record was created.

An operator may apply to the Tax Administrator for modification of the recordkeeping requirements of this Section if the operator demonstrates that the operator has an alternate recordkeeping system which provides proper safeguards to ensure compliance with the requirements of this Chapter. However, the Tax Administrator shall not extend the length of time specified in this Section that records shall be required to be kept. The decision of the Tax Administrator may be appealed to the city manager. The decision of the City Manager shall be final and conclusive for all matters. The Tax Administrator, upon completion of a proceeding which involves the use of records copied from the original records in the possession or custody of an operator shall return all such copies, or, at the direction of such Operator, destroy the same. No return or destruction of records shall occur without the written consent of the City Attorney.

5.06.120 Refunds.

- (a) Whenever the amount of any tax, interest or penalty has been overpaid or paid more than once or has been erroneously or illegally collected or received by the city under this chapter it may be refunded as provided in subparagraphs (b) and (c) of this section provided a claim in writing thereof, stating under penalty of perjury the specific grounds upon which the claim is founded, is filed with the tax administrator within three years of the date of payment. The claim shall be on forms furnished by the tax administrator.

ABJ657

- (b) An operator may claim a refund or take as credit against taxes collected and remitted the amount overpaid, paid more than once or erroneously or illegally collected or received when it is established in a manner prescribed by the tax administrator that the person from whom the tax has been collected was not a transient; provided however, that neither a refund nor a credit shall be allowed unless the amount of the tax so collected has either been refunded to the transient or credited to rent subsequently payable by the transient to the operator.
- (c) A transient may obtain a refund of taxes overpaid or paid more than once or erroneously or illegally collected or received by the city by filing a claim in the manner provided in sub-paragraph (a) of this section, but only when the tax was paid by the transient directly to the tax administrator, or when the transient having paid the tax to the operator, establishes to the satisfaction of the tax administrator that the transient has been unable to obtain a refund from the operator who collected the tax.
- (d) No refund shall be paid under the provisions of this section unless the claimant establishes his right thereto by written records showing entitlement thereto. (Ord. 274 N.S. S 12, 1964)

5.06.130 Actions to collect.

Any tax required to be paid by any transient under the provisions of this chapter shall be deemed a debt owned by the transient to the city. Any such tax collected by an operator which has not been paid to the city shall be deemed a debt owed by the operator to the city. Any person owing money to the city under the provisions of this chapter shall be liable to an action brought in the name of the city for the recovery of such amount. (Ord. 274 N.S. S 13, 1964)

5.06.140 Violations - Misdemeanor.

Any person violating any of the provisions of this chapter shall be guilty of a misdemeanor and shall be punishable therefor by a fine of not more than five hundred dollars or by imprisonment in the county jail for a period of not more than six months or by both such fine and imprisonment.

Any operator or other person who fails or refuses to register as required herein, or to furnish any return required to be made, or who fails or refuses to furnish a supplemental return or other data required by the tax administrator, or who renders a false or fraudulent return or claim, is guilty of a misdemeanor, and is punishable as aforesaid. Any person required to make, render, sign or verify any report or claim who makes any false or fraudulent report or claim with intent to defeat or evade the determination of any amount due required by this chapter to be made, is guilty of a misdemeanor and is punishable as aforesaid. (Ord. 274 N.S. S 14, 1964)

5.06.150 Severability.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this chapter or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this chapter or any part thereof. The city council thereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional. (Ord. 274 N.S. S 15, 1964)

5.06.160 Effective date.

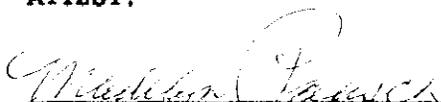
This chapter shall be effective upon its passage, except that the tax imposed by this chapter shall become operative and shall be imposed on April 1, 1965, and such tax shall not apply prior to said date. (Ord. 276 N.S.: Ord. 274 N.S. S 16, 1964)

Introduced at a regular meeting of the City Council held May 19, 1998, and passed and adopted by the City Council of the City of El Paso de Robles on the 2nd day of June, 1998, by the following roll call vote:

AYES: Baron, Iversen, Macklin, Swanson, and Picanco
 NOES: None
 ABSENT: None


 Duane Picanco, Mayor

ATTEST:


 Madelyn Paasch, City Clerk

ABJ657