

CITY ORDINANCE 2006 - 11

The City of Richland Center, Richland County, Wisconsin, does hereby ordain as follows:

SECTION I: PURPOSE

The purpose of this ordinance is to create Chapter 309 of the Richland Center Code pertaining to room tax.

SECTION II: PROVISIONS AMENDED/CREATED

Chapter 309, is hereby created.

SECTION III: PROVISION AS AMENDED/CREATED309 Room Tax.

(1) Two and a Half Percent (2 1/2%) Tax. Pursuant to §66.75, Wis. Stats., a tax is hereby imposed on the privilege and service of furnishing, at retail, rooms or lodging to transients by hotel keepers, motel operators and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the accommodations. In this Subsection, "hotel", "motel", and "transient" shall have the meaning set forth in §77.52(2)(a)1, Wis. Stats. and "gross receipts" shall have the meaning set forth in §77.51(4), Wis. Stats., in so far as applicable. The tax shall be at the rate of two and a half percent (2 1/2%) of the gross receipts from such retail furnishing of rooms or lodging. The tax shall not be subject to the selective sales tax imposed by §77.52(2), Wis. Stats.

(2) Application of Proceeds. The proceeds of the tax, when collected, less all collection expenses, shall be assigned to the general fund and disbursed as provided by State law.

(3) Tax Paid and Returns Filed Quarterly. The tax imposed shall be paid for each calendar quarter and shall be due and payable on the last day of the month next succeeding the calendar quarter for which imposed. A return shall be filed with the City Treasurer by those furnishing at retail such rooms and lodging on or before the same date on which such tax is due and payable. Such return shall show the gross receipts of the preceding calendar quarter from the retail furnishing of rooms or lodging, the amount of taxes imposed for such period, and such other information as the City Treasurer deems necessary.

(4) Annual Return Required. Every person required by Sub-section (3) to file a quarterly return shall, with the first return filed, elect to file an annual calendar year or fiscal year return. The annual return shall be filed within thirty (30) days of the close of each calendar or fiscal year. The annual return shall summarize the quarterly returns, reconcile and adjust for errors in the quarterly returns, and shall contain such additional information as the City Treasurer requires. The annual returns shall be made on forms prescribed by the City Treasurer. All such returns shall be signed by the person required to file a return or his/her duly authorized agent, but need not be verified by oath.

(5) Extension of Time to File Return on Showing of Good Cause. The City Treasurer may, for good cause, extend the time for filing any return, but in no event longer than one (1) month from the filing date.

(6) Finance and Budget Committee and City Treasurer to Administer. The provisions of this section shall be administered by the City Treasurer with oversight provided by the City Finance and Budget Committee. The City Council may establish at the recommendation of the Finance and Budget Committee through a separate City Resolution the following programs: (a) Room Tax Sharing Program. A room tax sharing program may include a separate established review panel made up of other governmental agencies and business and citizens of the

community. The City Treasurer shall establish such forms and procedures as are reasonably necessary to carry out its intent and purposes.

(7) Permit Required. Every person furnishing rooms or lodging under Subsection (1) shall file with the City Treasurer an application for a permit for each place of business. The application shall be made upon a form prescribed by the City Treasurer and shall set forth the name under which the applicant transacts or intends to transact business, the location of the place of business, and such other information as the City Treasurer requires. The application shall be signed by the owner if a sole proprietor and, if not a sole proprietor, by the person authorized to act on behalf of the owner.

(8) City Treasurer to Issue Permit. After compliance with Sub-section (7) and Subsection (17) by the applicant, the City Treasurer shall grant and issue to each applicant a separate permit for each place of business within the City. Such permit shall not be assignable and shall be valid only for the person in whose name it is issued and for the transaction of business at the place designated therein. It shall at all times be conspicuously displayed at the place for which issued.

(9) Appeal of Room Tax. Any person who shall dispute the amount of tax levied by this ordinance may file a petition with the City Treasurer setting forth the basis for the dispute of the tax. The merits of such dispute shall be determined by the Board of Review. As a condition to filing a petition, the taxes under protest shall first be paid in full. Any such tax wrongfully assessed, shall be refunded to the payer.

(10) Procedure Where Business is Sold. If a person liable for a tax under this section sells the business or terminates the business, the successors or assigns thereof shall withhold from the purchase price a sum sufficient to cover the room tax until the Seller produces a receipt from the City Treasurer that the tax has been fully paid or a certificate that no tax is due. Any purchaser, who fails to withhold the room tax from the purchase price as required herein, shall be personally liable for payment of the amount required to be withheld.

(11) Office Audit. The City Treasurer may, by office audit, determine the tax required to be paid to the City or the refund due to any person under this subsection. This determination may be made upon the basis of the facts contained in the return being audited or on the basis of any other information within the City Treasurer's possession. One or more such office audit determinations may be made by the City Treasurer as deemed necessary.

(12) Field Audit. The City Treasurer may, by field audit, determine the tax required to be paid to the City or the refund due to any person under this section. The determination may be made upon the basis of the facts contained in the return being audited or upon any other information within the City Treasurer's possession. The City Treasurer is authorized to examine and inspect the state sales tax records, and memoranda, of any person in order to verify the tax liability of that person or of another person.

(13) Failure to File Returns, Estimate by City Treasurer, Penalty. If any person fails to file a return as required by this section, the City Treasurer shall make an estimate of the amount of the gross receipts under Subsection (1). Such estimate shall be made for the period for which such person failed to make a return and shall be based upon any information which is in the City Treasurer's possession or which may come into the City Treasurer's possession. On the basis of this estimate, the City Treasurer shall compute and determine the amount required to be paid to the City, adding to the sum a penalty equal to ten percent (10%) thereof. One or more such determinations may be made for one or more periods.

(14) Interest Charge on Unpaid Tax. All unpaid taxes under this ordinance shall bear interest at the rate of twelve percent (12%) per annum from the due date of the return until the first day of the month following the month in which the tax is paid or deposited with the City Treasurer. All refunded taxes shall bear interest at twelve percent (12%) per annum from the due date of the return until the first day of the month following the month in which said taxes are refunded. An extension of time within which to file a return shall not operate to extend the due date of the

return for purposes of interest computation. If the City Treasurer determines that any overpayment of tax has been made intentionally or by reason of carelessness or neglect, or if the tax which was overpaid was not accompanied by a complete return, no interest shall be paid thereon.

(15) Delinquent Returns, Late Filing Fee. Delinquent tax returns shall be subject to a Ten Dollar (\$10.00) late filing fee. The tax imposed by this section shall become delinquent if not paid:

(A) In the case of a timely filed return, within thirty (30) days after the due date of the return, or within thirty (30) days after the expiration of an extension period if one has been granted.

(B) In the case of no return filed, or a return filed late, by the due date of the return.

(16) Added Penalty. If due to negligence no return is filed, or a return is filed late, the entire tax finally determined shall be subject to a penalty of twenty-five percent (25%) of the tax exclusive of any interest or other penalties. If a person fails to file a return when due or files a false or fraudulent return with the intent of either case to defeat or evade the tax imposed by this section, a penalty of twenty-five percent (25%) shall be added to the tax required to be paid, exclusive of interest and other penalties.

(17) Records Kept. Every person liable for the tax imposed by this section shall keep or cause to be kept such records, receipts, invoices and other pertinent papers in such form as the City Treasurer requires.

(18) Confidentiality of Records.

(A) All tax returns, schedules, exhibits, writings or audit reports relating to such returns, on file with the City Treasurer are deemed to be confidential, except the City Treasurer may divulge their contents to the following and no others:

- (1) The person who filed the return.
- (2) Officers, agents or employees of the Federal Internal Revenue Service or the State Department of Revenue.
- (3) Officers, agents or employees of the City as may be necessary to enforce monitor the administrative review of the ordinance or manage collection.

(19) Penalty. Any person subject to the tax imposed by this section who fails to obtain a permit as required in Subsection (7) or who fails or refuses to permit the City Treasurer to inspect his/her state sales tax records, or who fails to file a tax return, or who violates any other provision of this section shall, in addition to all other penalties provided herein, be subject to a forfeiture as provided by this Code except that that forfeiture shall be not less than the lower of 25% of the room tax due, or One Hundred Dollars (\$100.00) nor more than Two Hundred Fifty Dollars (\$250.00) together with assessed costs for each day of violation and/or section violated. Each day, or portion thereof, that a violation continues shall be deemed a separate offense.

SECTION IV: VALIDITY

Should any section, clause or provision of the ordinance be declared by the courts to be invalid, the same shall not affect the validity of the ordinance as a whole or any part thereof, other than the part so declared to be invalid.

SECTION V: CONFLICTING PROVISIONS REPEALED

All ordinances in conflict with any provisions of this ordinance are hereby repealed.

SECTION VI: EFFECTIVE DATE

This ordinance shall become effective September 1st, 2006.

SECTION VII:

This ordinance becomes a part of Chapter 309 of the City of Richland Center Code.

PASSED, APPROVED AND ADOPTED this 5th day of July, 2006 by the City Council of Richland Center, Richland County, Wisconsin by the following vote:

AYES: NOES:
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CITY OF RICHLANDS CENTER

By: Larry D. Fowler
Larry D. Fowler, Mayor

Attest: Jude Elliott
Jude Elliott, City Clerk/City Treasurer