

Ordinance #1008*An Ordinance Imposing a Room Tax in the City of Medford*

The Common Council of the City of Medford hereby ordains as follows:

Section 1: Ordinance #708 dated March 7, 1995 is hereby rescinded.

Section 2: Imposing a Room Tax

Pursuant to Section 66.0615(1m)(a), of the Wisconsin Statutes, 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 the use of the accommodations. Such tax shall be at the rate of four percent (4%) of the gross receipts from such retail furnishing of rooms, or lodgings.

Section 3: Definitions

For the purpose of this ordinance the following terms shall have the meaning given herein:

- (A) Hotel or Motel – A building or group of buildings in which the public may obtain accommodations for a consideration, including, without limitations, such establishments as inns, motel, tourist homes, tourist houses or courts, lodging houses, summer camps, bed & breakfasts, apartment hotels, resort lodges, private campgrounds, cabins, and any other building or group of buildings in which the accommodations are available to the public except accommodations rented for a continuous period of more than one month and accommodations furnished by any hospital, sanatoriums, nursing homes, rooming houses, or by corporations or associations organized and operated exclusively for religious, charitable or educational purposes, provided that no part of the net earnings of such corporations and associations inures to the benefit of any private shareholder or individual.
- (B) Gross Receipts – As defined in Section 77.51(11)(a), (b), and (c) of the Wisconsin Statutes, in so far as applicable. Any federal and state tax exempt transactions shall not be included in the definition of the gross receipt.
- (C) Person – Includes corporations, partnerships, or other business entities.
- (D) Transient – Any individual residing for a continuous period of less than one month in a motel, hotel, or other furnished accommodations available to the public.

(E) Tourism Promotion & Tourism Development – Any of the following that are significantly used by transient tourist and reasonably likely to generate paid overnight stays at more than one establishment on which a room tax may be imposed, that are owned by different persons and located within the City:

- (1) Marketing projects including advertising media buys, creation and distribution of printed or electronic promotional tourist materials, or efforts to recruit conventions, sporting events, motor coach groups.
- (2) Transient tourist informational services.
- (3) Tangible municipal development, including a convention center.

Section 4: Collection of Tax

The room tax imposed by Section 1 for each calendar quarter is due and payable and must be received in the City Treasurer Office on or before the last business day of the following month succeeding the calendar quarter for which it is imposed.

Section 5: Quarterly Room Tax Returns

A return shall be filed with the City Treasurer on or before the same date on which such tax is due and payable. Such return shall be on the forms provided by the City, and shall show the gross receipts of the preceding calendar quarter from such retail furnishing of rooms or lodging, the amount of taxes imposed for such period, and such other information as the City Treasurer deems necessary, provided it is directly related to the tax. Nothing herein shall prevent the City Treasurer from making a determination of tax at any time.

Section 6: Liability for Unpaid Tax

The room tax imposed hereunder shall be a continuing liability upon the business entity or person upon whom it is imposed until paid in full. Business successors shall be liable for the preceding calendar quarter for which a return has not been filed and payment not received.

Section 7: Interest on Unpaid Taxes

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 was paid.

Section 8: Delinquent Tax Returns

Tax returns required hereunder and not timely filed shall be deemed delinquent and shall be subject to a ten dollar (\$10.00) late filing fee.

Section 9: Distribution of Tax Collected

The proceeds of such tax when collected shall be apportioned 30% to the City for general administration expenses, and the remaining 70% to the Hotel/Motel Room Tax Commission for use in coordinating tourism promotion and tourism development.

Section 10: Hotel/Motel Room Tax Commission

- (A) Composition - The Hotel/Motel Room Tax Commission shall consist of four members composed of one Council representative, one Wisconsin hotel and motel industry representative, and two citizens of the City.
- (B) Appointment – Members of the Hotel/Motel Commission shall be appointed by the Mayor, and confirmed by majority vote of the Common Council.
- (C) Terms – Members of the Hotel/Motel Commission shall serve a one year term effective January 1st of each year, and may be reappointed.
- (D) Duties
 - (1) The Hotel/Motel Commission will annually elect a Chair, Vice-Chair, and Secretary.
 - (2) The Hotel/Motel Commission will meet regularly.
 - (3) The Hotel/Motel Commission will monitor the collection of room tax.
 - (4) Report any delinquencies or inaccurate reporting to the City Treasurer.
 - (5) Spend room tax revenue on tourism promotion and tourism development.
 - (6) Must contract with another organization to perform the functions of a tourism entity as no entity exists within the City.
 - (7) As required by Wisconsin Statutes §66.0615(1m)(d)(4), the Commission must provide an annual report to the City of Medford Common Council the purposes for which the revenues were spent.

Section 11: Reporting Requirements

The City Treasurer is responsible for filing the annual report with the Department of Revenue.

Section 12: Penalty Assessment

If any person fails to timely file a return, as required by this Ordinance, the City Treasurer shall make an estimate of the amount of the gross receipts upon which the tax is determined. Such estimates shall be made for the period which such person failed to make a return and shall be based upon any information which is in the City Treasurer's possession or may come into his/her possession or such other information as may have a bearing upon the determination of gross receipts. 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 thus arrived at a penalty equal to ten percent (10%) thereof. Such determination may be made for each quarterly period for which no return is filed. Such penalty shall be due upon written notice to the business entity or person owing the tax and shall not be in lieu of the tax due hereunder.

Section 13: Fraudulent Tax Returns

If a person files a false or fraudulent return with the intent in either case to defect or evade the tax imposed by this Ordinance, a penalty of fifty percent (50%) shall be added to the tax required to be paid, exclusive of interest and other penalties.

Section 14: Records to be Maintained

Every person liable for the tax imposed by this Ordinance shall keep or cause to be kept such records, receipts, invoices and other pertinent papers in such form so as to enable the City Treasurer to determine the tax due thereunder.

Section 15: Confidentiality

- (A) All tax returns, schedules, exhibits, writings or other 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) Such other public officials when deemed necessary and after notification of the licensee.
 - (3) The City Clerk.
- (B) No person having an administrative duty under this Ordinance shall make known in any manner the business affairs, operations or information obtained by an investigation of records of any person on whom a tax is imposed by this ordinance, the amount or source of income, profits, losses, expenditures, or any particular thereof set forth or disclosed in any return, or permit, any return or copy thereof to be seen or examined by an person, except as provided herein.

Section 16: Penalty

Any violation of, or noncompliance with, any of the provisions of this Ordinance for which a penalty has not been prescribed herein shall subject the violator to a forfeiture of one hundred dollars (\$100.00) together with the costs of prosecution and in default of payment thereof to imprisonment in the County Jail until such forfeiture has been paid but not to exceed fifteen (15) days. Each day of the violation or noncompliance shall constitute a separate offense.

Section 17: Effective Date

This Ordinance shall take effect on January 1, 2017.

Submitted By: Committee of the Whole

Vote Taken and Date: September 6, 2016 (7 Yes; 0 No; 1 Absent)

Dave J. Brandner - Yes

Arlene Parent – Yes

Greg Knight - Yes

Peggy Kraschnewski – Yes

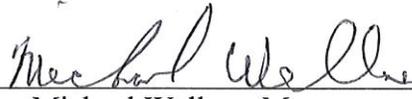
James Peterson - Yes

Dave Roiger - Yes

Michael Bub - Absent

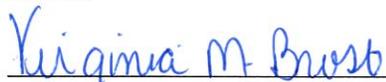
Clem Johnson - Yes

Mayor's Signature, if approved:



Michael Wellner, Mayor

Attest:



Virginia M. Brost, City Clerk

9-7-16

Date