

CHAPTER 9 – HOTEL/MOTEL TAX

9.01	Short Title	9.05	Reporting; Payment; Collection and Administration
9.02	Definitions	9.06	Exemptions, Penalties and Interest
9.03	Tax Imposed	9.07	Accounting and Expenditures
9.04	Effective Date		

9.01 SHORT TITLE

This chapter may be known and may be cited as the CITY OF WAHPETON, IOWA, HOTEL AND MOTEL TAX ORDINANCE.

9.02 DEFINITIONS

For purposes of this chapter, the following terms, phrases and words shall have the meanings given herein:

1. **LODGING FACILITIES:** Any facility which receives receipts from the renting of sleeping rooms, apartments, or sleeping quarters in a hotel, motel, public lodging house, rooming house, mobile home which is tangible personal property, or tourist court, or any place where sleeping accommodations are furnished to transient guests for rent, except:
 - A. Gross receipts from renting of sleeping rooms in dormitories of colleges located in the city of Wahpeton;
 - B. Gross receipts from the renting of sleeping rooms to guests of a religious institution if the property is exempt from real estate taxes and the purpose of renting is to provide a place for a religious retreat or function and not a place for transient guests generally;
 - C. Gross receipts from the renting of a sleeping room, apartment or sleeping quarters while rented to the same person(s) for a period of more than thirty-one (31) consecutive days.
2. **TAX:** The local option hotel and motel tax established and imposed by this chapter pursuant to chapter 423A of the Iowa Code.

9.03 TAX IMPOSED

There is hereby imposed a tax as in this chapter provided on all lodging facilities within the corporation limits of the city of Wahpeton in an amount equal to seven percent (7%) of the gross receipts from the rental of such lodging facilities.

9.04 EFFECTIVE DATE:

The tax imposed hereunder shall become effective at two o'clock (2:00) p.m. on Tuesday, January 1, 2019, and shall continue until repealed as provided by law.

9.05 REPORTING; PAYMENT; COLLECTION AND ADMINISTRATION:

The tax imposed hereunder shall be reported and paid to the Iowa Department of Revenue, and the reporting, collection, administration and payment to the city of the tax imposed hereunder shall be accomplished by the Iowa Department of Revenue pursuant to, and in accordance with, the provisions of Chapter 423A of the Iowa Code and the applicable administrative rules adopted by the Iowa Department of Revenue.

9.06 EXEMPTIONS, PENALTIES AND INTEREST:

Exemptions from the imposition of the tax imposed hereunder shall be only such exemptions as are adopted and implemented by the Iowa Department of Revenue. In addition to penalties and interest charges which may be imposed by the Iowa Department of Revenue pursuant to law, any person, individual or entity who fails to collect, report and pay to the Department of Revenue the tax imposed under this chapter shall also be subject to penalties as provided under Chapter 1, Section 1.14 of this code.

9.07 ACCOUNTING AND EXPENDITURES:

- A. The city clerk shall maintain a separate account for the receipts and expenditures of amounts received by the city from the tax imposed hereunder.
- B. At least fifty percent (50%) of the revenues derived from the tax imposed under this chapter shall be used by the city for the acquisition of sites for, or constructing, improving, enlarging, equipping, repairing, operating, or maintaining of recreation, convention, cultural, or entertainment facilities, including, but not limited to, memorial buildings, halls and monuments, civic center, convention buildings, auditoriums, coliseums, and parking areas or facilities located at those recreation, convention, cultural or entertainment facilities, or the payment of principal and interest, when due, on bonds or other evidence of indebtedness issued by the city for those recreation, convention, cultural, or entertainment facilities; or for the promotion and encouragement of tourist and convention business in the city of Wahpeton.
- C. The receipts from the tax imposed under this chapter not utilized in as provided the preceding subsection shall be credited to and become part of the general fund of the city and shall be expended thereunder.

(Ord. 169 – March 2020 Supp.)

