

Ordinance No. 21-19 B

AN ORDINANCE LEVYING A PRIVILEGE TAX UPON THE OCCUPANCY IN ANY HOTEL OR MOTEL OR ANY PLACE IN WHICH ROOMS, LODGING, OR ACCOMMODATIONS ARE FURNISHED TO TRANSIENTS FOR CONSIDERATION.

WHEREAS, Public Chapter 496 amending Tenn. Code Ann. §67-4-1401 *et seq.* authorizes the City of Spring Hill the right to levy by Ordinance a hotel/motel tax of up to 4%; and

WHEREAS, the City of Spring Hill previously levied a 3% Hotel/Motel tax under Ordinance 16-14 that was permitted by Public Chapter 890, Acts of 2016; and

WHEREAS, Section 6 of Public Chapter 496 requires a municipality with a previously existing authorized tax upon the privilege of occupancy on or before July 1, 2021 to not adopt a tax under Public Chapter 496 unless the municipality repeals the preexisting authorization; and

WHEREAS, The Board of Mayor and Alderman has repealed Ordinance 16-14 by passing Ordinance 21-19 B; and

WHEREAS, the City of Spring Hill deems it to be in the best interest of the City to levy such a tax.

NOW, THEREFORE, BE IT HEREBY ORDAINED, by the Board of Mayor and Alderman of the City of Spring Hill, Tennessee, as follows:

Section 1. Definitions.

As used in this Ordinance:

(1) "Consideration" means the consideration charged, whether or not received, for the occupancy in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction therefrom whatsoever. Nothing in this definition shall be construed to imply that consideration is charged when the space provided to the person is complimentary from the operator and no consideration is charged to or received from any person;

(2) "Hotel" and/or "Motel" means any structure or space, or any portion thereof, that is occupied or intended or designed for occupancy by transients for dwelling, lodging, or sleeping purposes, and includes privately, publicly, or government-owned hotels, inns, tourist camps, tourist courts, tourist cabins, motels, short-term rental units, primitive and recreational vehicle campsites and campgrounds, or any place in which rooms, lodgings or accommodations are furnished to transients for consideration;

(3) "Municipality" means an incorporated city or town or a county, but does not include a county with a metropolitan form of government;

(4) "Occupancy" means the use or possession, or the right to the use or possession, of any room, lodgings or accommodations in any hotel;

(5) "Operator" means the person operating the hotel, whether as owner, lessee or otherwise;

(6) "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;

(7) "Tourism" means attracting nonresidents to visit a particular municipality and encouraging those nonresidents to spend money in the municipality, which includes travel related to both leisure and business activities;

(8) "Tourism development" means the acquisition and construction of, and finance and retirement of debt for, facilities related to tourism; and

(9) "Transient" means any person who exercises occupancy or is entitled to occupancy of any rooms, lodgings or accommodations in a hotel for a period of less than thirty (30) continuous days.

Section 2. Permit Required. No person will conduct, keep, manage, operate, or cause to be conducted, kept, managed or operated either as owner, lessor, agent or attorney, any Hotel in the city without having obtained a permit for same from the City Administrator or his/her designee.

Section 3. Not Transferable. No permit issued under this Ordinance shall be transferred or assigned.

Section 4. Duration. Hotel permits shall be issued annually and shall expire on the last day of December of each year.

Section 5. Register Required; Availability for Inspection. Every person to whom a permit is issued under this Ordinance shall at all times keep a standard hotel register, in which shall be inscribed the names of all guests renting or occupying rooms in the Hotel. Such register shall be signed in every case by the person renting a room or by someone under his direction and after registration is made and the name of the guest if inscribed as herein provided, the manager shall write the number of the room such guest is to occupy, together with the time such room is rented, before such person is permitted to occupy such room. The register shall be open to inspection at all times to the City Administrator or his/her designee.

Section 6. Rooms to be Numbered. Each sleeping room and apartment in every hotel in the City shall be numbered in a plain and conspicuous manner. The number of each room shall be placed on the outside of the door of such room, and no two (2) doors shall bear the same number.

Section 7. Privilege tax levied; use.

- (A) Pursuant to the provisions of Tenn. Code Ann. §67-4-1401 *et seq.*, and specifically §67-4-1402 as amended by Public Chapter 496, there is hereby levied a privilege of occupancy tax in any Hotel of each Transient. From and after the operative date of this ordinance the rate of the levy shall be four percent (4%) of the consideration charged by the operator. This privilege tax shall be collected pursuant to and subject to the provisions of state law. The City Administrator or his/her designee shall be designated the authorized collector to administer and enforce this Ordinance.
- (B) The proceeds received from this tax must be allocated to and placed in the general fund or other fund of the City and used exclusively for the promotion of Tourism and Tourism Development.

Section 8. Payment of the Tax. Payment of the tax by the Hotel to the City shall be no later than the 20th day of each month for the preceding month.

Section 9. Compensation to the Hotel. The Hotel may deduct two percent (2%) from the amount paid to the City in order to defray the administrative burden of collecting the Tax.

Section 10. Interest and penalty for late payment. The Hotel operator is responsible for paying interest on delinquent taxes, from the due date at the rate of twelve percent (12%) per annum, plus a penalty of one percent (1%) for each month or fraction thereof such taxes are delinquent.

Section 11. Monthly tax return and annual audit.

- (A) (1) The City Administrator or his/her designee, as authorized collector of the tax, shall be responsible for the collection of such tax and shall place the proceeds of such tax in accounts for the purposes stated in this Ordinance.
- (2) A monthly tax return shall be filed under oath with the City Administrator or his/her designee by the Operator with such number of copies of the return as he/she may reasonably require for the collection of such tax.
- (3) The report of the Operator shall include such facts and information as may be deemed reasonable for the verification of the tax due. The form of such report

shall be developed by the City Administrator and approved by the Board of Mayor and Alderman prior to use.

(4) The City Administrator or his/her designee shall audit each Operator in the municipality at least once per year and shall report on the audits made on a quarterly basis to the Board of Mayor and Alderman.

(B) The Board of Mayor and Alderman is authorized to adopt reasonable rules and regulations for the implementation of the provisions of this Ordinance, including the form of such reports.

Section 12. Records requirement. The Hotel operator shall maintain such records as may be necessary to determine the amount of such tax for which the operator may have been liable for the collection of taxes for three (3) years thereafter, with the right of inspection by the City.

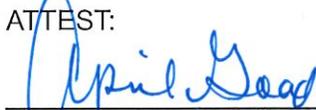
Section 13. Ordinances in conflict. All Ordinance or parts of Ordinance in conflict herewith are hereby repealed.

Section 14. Date of Effect. After adoption by affirmative vote of the Board of Mayor and Alderman at two (2) consecutive regularly scheduled meetings, this ordinance shall take effect but not before January 1, 2022, the public welfare requiring it.

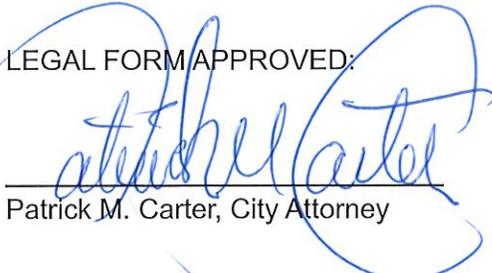
PASSED AND ADOPTED BY THE BOARD OF MAYOR AND ALDERMAN OF THE CITY OF SPRING HILL, TENNESSEE, this the 16th day of August, 2021.


Jim Hagaman, Mayor

ATTEST:


April Goad, City Recorder

LEGAL FORM APPROVED:


Patrick M. Carter, City Attorney

Passed on First Reading: August 2, 2021

Passed on Second Reading: August 16, 2021