

ORDINANCE NO. 2012-06-11-B

 **ORIGINAL**

AN ORDINANCE OF THE CITY OF RANGER, TEXAS, ENTITLED TAXATION, AN ORDINANCE PROVIDING FOR THE ASSESSMENT AND COLLECTION OF HOTEL OCCUPANCY TAX; PROVIDING FOR EXEMPTIONS; PROVIDING FOR COLLECTION OF REPORTS CONCERNING THE TAX; PROVIDING FOR THE MAKING OF ADMINISTRATIVE RULES AND REGULATIONS FOR THE COLLECTION OF SUCH TAX; AUTHORIZING THE ENTERING INTO OF A CONTRACT FOR THE ADMINISTRATION OF FUNDS COLLECTED; PROVIDING A MEANS FOR ENFORCEMENT OF SUCH ORDINANCE; PROVIDING A PENALTY FOR WILLFUL FAILURE OR VIOLATION OF SAID ORDINANCE AND CONTAINING OTHER MISCELLANEOUS PROVISIONS.

SECTION 1. Title

This ordinance shall be referred to as the "Hotel occupancy tax ordinance."

SECTION 2. Definitions

Whenever any of the following words, terms, or definitions are used in this ordinance, they shall have the following meaning:

- (a) City: The City of Ranger, Texas, and within its extraterritorial jurisdiction (as allowed by Section 351.0025 of the Tax Code relating to Municipal Hotel Occupancy Taxes).
- (b) Hotel: Any building or buildings in which the public may, for a consideration, obtain sleeping accommodations, including hotels, motels, tourist homes, houses or courts, lodging houses, inns, rooming houses or other buildings where rooms are furnished for a consideration, but not including hospitals, sanitariums, convalescent centers, nursing homes, or assisted-living facilities.
- (c) Hotel accommodations: A room or rooms in any building or structure kept, used or maintained as or advertised or held out to the public to be an inn, motel, hotel, apartment, hotel, lodging house, dormitory or place, where sleeping, rooming, office, conference or exhibition accommodations are furnished for lease or rent, whether with or without meals, in which one (1) or more rooms or spaces are used or maintained for guests, lodgers, or roomers.
- (d) Consideration: The cost of the room in a hotel only if the room is ordinarily used for sleeping, and not including the cost of any food served or personal services rendered to the occupant of such room not related to the cleaning and readying of such room for occupancy.

- (e) **Occupancy:** The use or possession, or the right to the use or possession, of any room or rooms in a hotel if the room is one which is ordinarily used for sleeping and if the occupant is other than a permanent resident as hereinafter defined.
- (f) **Occupant:** Anyone who, for a consideration, uses, possesses, or has a right to use or possess any room or rooms in a hotel under lease, concession, permit, right of access, license, contract or agreement, other than a permanent resident as hereinafter defined.
- (g) **Person:** Any individual, company, corporation or association, receiver, administrator, executor, conservator, assignee, trust in perpetuity, trust, estate, firm, co-partnership, joint venture, club, business trust, domestic or foreign corporation, syndicate, society, or any group of individuals acting as a unit, whether mutual, corporative, fraternal, nonprofit, or otherwise, which owns, operates, manages or controls any hotel.
- (h) **Quarterly period:** The regular calendar quarters of the year, the first quarter being composed of the months of January, February and March; the second quarter being the months of April, May and June; the third quarter being July, August and September and the fourth quarter being the months of October, November and December.
- (i) **Permanent resident:** Any occupant who has or shall have the right to occupancy of any room or rooms in a hotel for at least thirty (30) consecutive days during the calendar year or preceding year.

Section 3. Levy of tax; rate; exception.

- (a) There is hereby levied a tax seven percent (7%) of the price paid for a room in hotel on every person, who, under a lease, concession, permit, right of access, license, contract, or agreement pays for the use or possession or for the right to the use or possession of a room that is in a hotel, cost \$2.00 or more each day, and is ordinarily used for sleeping. The price of a room in a hotel does not include the cost of food served by the hotel and the cost of personal services performed by the hotel for the person except those services related to the cleaning and reading of the room for possession.
- (b) The person required to collect tax set forth in subsection (a) of this Section may deduct and withhold from the person's payment to the city As reimbursement for the cost of collecting the tax, an amount not to exceed one percent (1%) of the tax due and required to be reported to the city. If taxes due under this ordinance are not paid to the city within the time

required or if the person required to file a report fails to file the report when due, the person forfeits the claim to the reimbursement that could have been taken if the tax had been paid or the report filed when due.

- (c) No tax shall be imposed under this section upon a permanent resident.
- (d) No tax shall be imposed under this section upon an occupant of any room or space rented from a corporation or association organized and operated exclusively for religious, charitable or educational purposes, if no part of the net earnings of which inures to the benefit of any private shareholder or individual.

Exceptions are as follows;

- (a) No tax shall be imposed upon a permanent resident.
- (b) No tax shall be imposed upon an officer or employee of a federal or state agency, institution, board, or commission if the employee is traveling on official business for the governmental entity.
- (c) No tax shall be imposed for diplomatic personnel traveling on official military business. This exemption does not cover military staff on leave or between stations.
- (d) No tax shall be imposed for federal or state military personnel traveling on official military business. This exception does not cover military staff on leave or between stations.

Section 4. Collection of Tax

Every person owning, operating, managing or controlling any hotel shall collect the tax imposed in this ordinance for the city. The failure of the person, firm or corporation owning, operating, managing or controlling said hotel, to collect sufficient monies from occupants to satisfy said tax shall not excuse the obligation to pay said tax to the city. Any person who received or collects hotel tax from an occupant shall hold the amount so collected in trust for the benefit of the City of Ranger and is liable to the City for the full amount collected plus any accrued penalties and interest on the amount collected.

Section 5. Reports

On the last day of the month following each quarterly period, every person required to collect the tax imposed in this article on the City's behalf shall file a report with the Finance Director showing the consideration paid for all occupancies in the preceding quarter, the amount of the tax due on such occupancies, and any other information as the Finance Director may reasonably require. Such person shall pay the amount of tax due from occupants during the period of the report at the time of filing the report. There shall also be furnished to the City of Ranger Finance Director at the time of

such report and payment a copy of the State of Texas Hotel Occupancy Tax Report(s) for the corresponding period. The city administrator and mayor are hereby authorized and directed to do all such things necessary or convenient to carry out the terms of this ordinance. The city administrator and mayor shall have the authority to request and receive within a reasonable time documentation for information contained in the report to the city by the hotel.

Section 6. Rules and regulations.

The city administrator or mayor shall have the power to make such rules and regulations as are reasonable and necessary to effectively collect the tax levied hereby, and shall upon reasonable notice have access to books and records necessary to enable them to determine the correctness of any report filed as required by this ordinance, and the amount of taxes due under the provisions of this ordinance.

Section 7. Penalties.


If any person shall fail to collect the tax imposed in this article, or shall fail to file a report as required in this ordinance, or shall fail to pay to the City of Ranger, the tax as imposed in this ordinance when such report for payment is due, or shall file a false report, then such person shall be deemed guilty of a misdemeanor and upon conviction be punished by a fine. In addition, such person who fails to remit the tax imposed by this article within the time required shall pay a fee of ten percent (10%) of the total amount of the tax owed, and after the first 30 days shall pay an additional five percent (5%) of the total amount of the tax owed. Delinquent taxes shall draw daily interest at the rate of ten percent per annum beginning 30 days from the due date due on the tax imposed by this ordinance.

The attorney acting for the city may bring suit against a person who is required to collect the hotel occupancy tax and pay the collections over to the city, and who has failed to file a tax report or pay the tax when due, to collect the delinquent taxes, or to prevent the person from operating a hotel in the city until the tax is paid or the report filed, as applicable, as provided by a court order. In addition to the amount of any tax owed, the person is liable to the city for reasonable attorney fees, the costs of an audit conducted as determined by the city using a reasonable rate if the tax has been delinquent for at least two complete fiscal quarters at the time the audit is conducted.

Section 8.

All ordinances or parts of ordinances inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed.

Section 9.

 ORIGINAL

Any person who shall violate any provision of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined in an amount not to exceed \$500. Each day of violation shall constitute a separate offense.

Section 10.

In the event any clause, phrase, provision, sentence or part of this Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Ranger, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED this 14th day of May, 2012.

PASSED AND FINALLY APPROVED THIS 11TH day of June 2012.

ATTEST:

THE CITY OF RANGER


Mary Wells, City Secretary


Raymond Hart, Mayor