

ATTACHMENT 3

Article II. Transients

Sec. 32-11. Definitions.

For the purposes of this article the following words and phrases shall have the meanings respectively ascribed to them by this section:

Hotel. Any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home or house trailer at a fixed location, or other similar structure or portion thereof.

Occupancy. The use or possession, or the right to the use or possession of any room or rooms or portion thereof, in any hotel for dwelling, lodging or sleeping purposes.

Operator. The person who is proprietor of the hotel, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee, or any other capacity. Where the operator performs his functions through a managing agent of any type or character other than an employee, the managing agent shall also be deemed an operator for the purposes of this article and shall have the same duties and liabilities as his principal. Compliance with the provisions of this article by either the principal or the managing agent shall, however be considered to be compliance by both.

Rent. The consideration charged, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever.

Transient. Any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of thirty consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel shall be deemed to be a transient until the period of thirty days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy.

(Ord. No. 1570, § 2)

Sec. 32-12. Transient occupancy tax.

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of fourteen percent of the rent charged by the operator. Such tax constitutes a debt owed by the transient to the county which is extinguished only by payment to the operator or to the county. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel. If for any reason the tax is not paid to the operator of the hotel, the county tax collector may require that such tax shall be paid directly to the county tax collector. The tax rate of fourteen percent shall take effect beginning January 1, 2025. In the interim period between the November 5, 2024 election and January 1, 2025, for the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of twelve percent of the rent charged by the operator.

(Ord. No. 1570, § 3; Ord. No. 1860, § 1; Ord. No. 2198, § 1; Ord. No. 2842, § 1; Ord. No. 2854, § 1; Ord. No. 3041, § 1; Ord. No. 3889, § 1; Ord. No. 4961, § 1, 5-3-2016; Ord. No. 5217, § 1, 7-9-2024)

Sec. 32-13. (blank)

Sec. 32-14. Same—duty of operator to collect; to be separately stated; certificate to be posted.

Each operator shall collect the tax imposed by this article to the same extent and at the same time as the rent is collected from every transient. The amount of tax shall be separately stated from the amount of the rent charged, and each transient shall receive a receipt for payment from the operator. No operator of a hotel shall advertise or state in any manner, whether directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, if added, any part will be refunded except in the manner hereinafter provided.

Within thirty days after commencing business, each operator of any hotel renting occupancy to transients shall register his hotel with the county tax collector and obtain from him a "Transient Occupancy Registration Certificate" to be at all times posted in a conspicuous place on the premises. The certificate shall, among other things, state the following:

- (a) The name of the operator;
- (b) The address of the hotel;
- (c) The date upon which the certificate was issued;
- (d) "This Transient Occupancy Registration Certificate signifies that the person named on the face hereof has fulfilled the requirements of the Uniform Transient Occupancy Tax Ordinance by registering with the County Tax Collector for the purpose of collecting from transients the Transient Occupancy Tax and remitting said tax to the County Tax Collector. This certificate does not authorize any person to conduct any unlawful business or to conduct any lawful business in an unlawful manner, nor to operate a hotel without strictly complying with all local applicable laws, including but not limited to those requiring a permit from any board, commission, department or office of this County. This certificate does not constitute a permit."

(Ord. No. 1570, §§ 5, 6)

Sec. 32-15. Same—reporting and remitting amount.

Each operator shall, on or before the last day of the month following the close of each calendar quarter, or at the close of any shorter reporting period which may be established by the county tax collector, make a return to the county tax collector, on forms provided by him, of the total rents charged and received and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the county tax collector. The county tax collector may establish shorter reporting periods for any certificate holder if he deems it necessary in order to insure collection of the tax and he may require further information in the return. Returns and payments are due immediately upon cessation of business for any reason. All taxes collected by operators pursuant to this article shall be held in trust for the account of the county until payment thereof is made to the county tax collector.

(Ord. No. 1570, § 7)

Sec. 32-16. Penalties and interest.

- (a) Original Delinquency. Any operator who fails to remit any tax imposed by this article within the time required shall pay a penalty of ten percent of the amount of the tax in addition to the amount of the tax.
- (b) Continued Delinquency. Any operator who fails to remit any delinquent remittance on or before a period of thirty days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten percent of the amount of the tax in addition to the amount of the tax and the ten percent penalty first imposed.
- (c) Fraud. If the county tax collector determines that the nonpayment of any remittance due under this article is due to fraud, a penalty of twenty-five percent of the amount of the tax shall be added thereto in addition to the penalties stated in subsections (a) and (b) of this section.
- (d) Interest. In addition to the penalties imposed, any operator who fails to remit any tax imposed by this article shall pay interest at the rate of one-half of one percent per month or fraction thereof on the amount of the tax, exclusive of penalties, from the date on which the remittance, first became delinquent until paid.
- (e) Penalties Merged With Tax. Every penalty imposed and such interest as accrues under the provisions of this section shall become a part of the tax herein required to be paid.

(Ord. No. 1570, § 8)

Sec. 32-17. Same—determination by tax collector upon failure to collect and report.

If any operator shall fail or refuse to collect such tax and to make, within the time provided in this article any report and remittance of such tax or any portion thereof required by this article, the county tax collector shall proceed in such manner as he may deem best to obtain facts and information on which to base his estimate of the tax due. As soon as the county tax collector shall procure such facts and information as he is able to obtain upon which to base the assessment of any tax imposed by this article and payable by any operator who has failed or refused to collect the same to make such report and remittance, he shall proceed to determine and assess against such operator the tax, interest and penalties provided for by this article. In case such determination is made, the county tax collector shall give a notice of the amount so assessed by serving it personally or by depositing it in the United States mail, postage prepaid, addressed to the operator so assessed at his last known place of address. Such operator may within ten days after the serving or mailing of such notice make application in writing to the county tax collector for a hearing on the amount assessed. If application by the operator for a hearing is not made within the time prescribed, the tax, interest and penalties, if any, determined by the county tax collector shall become final and conclusive and immediately due and payable. If such application is made, the county tax collector shall give not less than five days written notice in the manner prescribed herein to the operator to show cause at a time and place fixed in said notice why such amount specified therein should not be fixed for such tax, interest and penalties. At such hearing, the operator may appear and offer evidence why such specified tax, interest and penalties should not be so fixed. After such hearing the county tax collector shall determine the proper tax to be remitted and shall thereafter give written notice to the person in the manner prescribed herein of such determination and the amount of such tax, interest and penalties. The amount determined to be due shall be payable after fifteen days unless an appeal is taken as provided in section 32-18.

(Ord. No. 1570, § 9)

Sec. 32-18. Appeal from determination of tax collector.

Any operator aggrieved by any decision of the county tax collector with respect to the amount of such tax, interest and penalties, if any, may appeal to the board of supervisors by filing a notice of appeal with the county

clerk within fifteen days of the serving or mailing of the determination of tax due. The board of supervisors shall fix a time and place for hearing such appeal, and the county clerk shall give notice in writing to such operator at his last known place of address. The findings of the board of supervisors shall be final and conclusive and shall be served upon the appellant in the manner prescribed above for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of notice.

(Ord. No. 1570, § 10)

Sec. 32-19. Records.

It shall be the duty of every operator liable for the collection and payment to the county of any tax imposed by this article to keep and preserve, for a period of three years, all records as may be necessary to determine the amount of such tax as he may have been liable for the collection of any payment to the county, which records the county tax collector shall have the right to inspect at all reasonable times.

(Ord. No. 1570, § 11)

Sec. 32-20. Refunds.

- (a) Whenever the amount of any tax, interest or penalty has been overpaid or paid more than once or has been erroneously or illegally collected or received by the county under this article it may be refunded as provided in subsections (b) and (c) of this section provided a claim in writing therefore, stating under penalty of perjury the specific grounds upon which the claim is founded, is filed with the county tax collector within three years of the date of payment. The claim shall be on forms furnished by the county tax collector.
- (b) An operator may claim a refund or take as credit against taxes collected and remitted the amount overpaid, paid more than once or erroneously or illegally collected or received when it is established in a manner prescribed by the county tax collector that the person from whom the tax has been collected was not a transient; provided, however, that neither a refund nor a credit shall be allowed unless the amount of the tax so collected has either been refunded to the transient or credited to rent subsequently payable by the transient to the operator.
- (c) A transient may obtain a refund of taxes overpaid or paid more than once or erroneously or illegally collected or received by the county by filing a claim in the manner provided in subsection (a) of this section, but only when the tax was paid by the transient directly to the county tax collector, or when the transient having paid the tax to the operator, establishes to the satisfaction of the county tax collector that the transient has been unable to obtain a refund from the operator who collected the tax.
- (d) No refund shall be paid under the provisions of this section unless the claimant establishes his right thereto by written records showing entitlement thereto.

(Ord. No. 1570, § 13)

Sec. 32-21. Actions to collect.

- A. Suit for Taxes. Any tax required to be paid by any transient under the provisions of this article shall be deemed a debt owed by the transient to the county. Any tax due, whether or not collected by an operator, which has not been paid to the county shall be deemed a debt owed by the operator to the county. Any person owing money to the county under the provisions of this chapter may be liable to an action brought in the name of the county for the recovery of such amount. The remedy set out in this subsection is cumulative and not exclusive of any other remedy in this section.

(Supp. No. 42, Update 4)

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- B. Seizure and Sale. Transient occupancy taxes which have not been paid by the operator on or before the date of delinquency established by sections 32-15, 32-17 or 32-18 may be collected by the tax collector through the seizure of any asset or property, real or personal (including bank accounts) of the operator and sale at public auction of the asset or property, or a sufficient part of it to pay the tax amount due, together with any penalties and interest imposed for the delinquency, and any cost incurred on account of the seizure and sale in accordance with the seizure and sale procedures set forth in Revenue and Taxation Code Section 2951 et seq. The remedy set out in this subsection is cumulative and not exclusive of any other remedy in this section.
- C. Tax Lien. If any transient occupancy tax, any penalty or interest thereon is unpaid as of the date of delinquency established by sections 32-15, 32-17 or 32-18, the tax collector may file with the county recorder, a certificate of lien in accordance with the procedure set forth in Revenue and Taxation Code Sections 2191.3-2191.4. This certificate shall specify the amount of taxes, penalties, and interest due, and the name and address of the operator as it appears on the records of tax collector. The lien shall also specify that the tax collector has complied with all provisions of this chapter in the determination of the amount required to be paid. From the time of the filing for record, the amount required to be paid, together with penalties and interest thereon, constitutes a lien upon all real and personal property in the county owned by the operator or subsequently acquired by the operator before the lien expires. The lien has the force, effect and priority of a judgment lien and shall continue for ten years from the time the certificate is filed unless the lien is released or discharged. (Revenue and Taxation Code Sections 2191.4-2193.) The remedy set out in this subsection is cumulative and not exclusive of any other remedy in this section.

(Ord. No. 1570, § 13; Ord. No. 5218, § I, 7-16-2024)

Secs. 32-22 to 32-30. (blank)