

CHAPTER 11

Accommodation Permit and Tax

6-11-1	Definitions
6-11-2	Tourism Commission
6-11-3	Permit Required
6-11-4	Imposition of Tax
6-11-5	Collection of Tax
6-11-6	Security Required
6-11-7	Records to be Maintained
6-11-8	Confidentiality Maintained
6-11-9	Penalties

SEC. 6-11-1 DEFINITIONS

The definitions of Sec. 66.0615(1) (a) et. seq., Stats., are hereby incorporated by reference. This ordinance is applicable to all hotels, motels, apartments, bed and breakfast establishments, and any other accommodations within the city of Thorp that provide overnight accommodations for transient visitors who stay less than 30 days in such accommodations. Excluded from this definition are accommodations furnished by any hospital or nursing home or by any not-for-profit accommodation organized and operated exclusively for religious, charitable or educational purposes.

SEC. 6-11-2 TOURISM COMMISSION

- (a) **Composition.** A tourism commission is hereby created and shall consist of 5 members. The composition of this tourism commission shall include one council member, one hotel/motel owner or operator, and three at large members appointed by the Mayor with the approval of the Common Council for staggered three year terms.
- (b) **Authority.** The tourism commission shall perform the duties of tourism promotion or may contract with another tourism entity within the City of Thorp to obtain staff, support services, and assistance in developing and implementing programs to promote the city to visitors. The tourism commission shall be the beneficiary of that percentage of the room tax that the Common Council commits to spending on tourism and development hereinafter and will assume the burden of expending such revenues in a manner consistent with the goals of promoting tourism and retail development in the city. Specifically, the Tourism Commission shall have all of the authority and obligations of a commission created under sec. 66.0615 Wis. Stats.

- (c) **Bylaws of the Commission.** The tourism commission shall develop bylaws, and amendments thereto, which shall be subject to the approval of the common council. The commission shall meet regularly, and from among its members, elect a chairperson, a vice chairperson and a secretary.
- (d) **Reporting Requirements.** The commission shall report any delinquencies or inaccurate reporting to the common council and annually shall account for all of its disbursements and report the purposes for which its revenues were spent.

SEC. 6-11-3 PERMIT REQUIRED

Each accommodation under Section 6-11-1 shall be required to obtain a nontransferable annual permit by application provided by the City Clerk-Treasurer by June 30th of each year for the fee established by the Common Council from time to time as a condition of transacting its business. Such permit shall be conspicuously displayed at each location providing accommodations of each business.

SEC. 6-11-4 IMPOSITION OF TAX

Pursuant to Sec. 66.0615 Wis. Stats., a tax is hereby imposed on the privilege and services of furnishing, at retail, of rooms or lodging to transients by hotelkeepers, 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 five percent (5%) of the gross receipts from such retail furnishing of rooms or lodgings. Such tax shall not be subject to the selective sales tax imposed by Sec. 77.52(2)(a)1, Wis. Stats.

SEC. 6-11-5 COLLECTION OF TAX.

- (a) **Administration by City Clerk-Treasurer.** This tax shall be administered by the City Clerk-Treasurer who shall, at City expense, provide the necessary application and reporting forms at no cost to the taxpayer.
- (b) **Reporting Periods.** The tax imposed for the months of January, February and March, and for each calendar quarter thereafter, is due and payable on the last day of the month next succeeding the calendar quarter for which imposed. A return shall be filed with the City Clerk-Treasurer, by those furnishing at retail such rooms and lodging, on or before the same date on which such tax is due and payable. Such returns shall show the gross receipts of the preceding calendar quarter from such retail furnishing of room or

lodging, the amount of taxes imposed for such period, and such other information as the City Clerk-Treasurer deems necessary. Every person required to file such quarterly return shall, with his first return, elect to file an annual calendar year or fiscal year return. Such annual return shall be filed within (90) days of the close of each such calendar or fiscal year. The annual return shall summarize the quarterly returns, reconcile and adjust for errors in the quarterly returns, and shall contain certain such, additional information as the City Clerk-Treasurer requires. Such annual returns shall be made on forms as prescribed by the City Clerk-Treasurer. All such returns shall be signed by the person required to file a return or duly authorized agent but, need not be verified by oath. The City Clerk-Treasurer may, for good cause, extend the time for filing any return, but in no event longer than one (1) month from the filing date.

(c) **Sale or Conveyance of Business.** If any person liable for any amount of tax under this Chapter sells out his business or stock of goods or quits the business, his successors or assigns shall withhold sufficient portion of the purchase price to cover such amount until the former owner produces a receipt from the City Clerk-Treasurer that it has been paid or a certificate, stating that no amount is due. If a person subject to the tax imposed by this Chapter fails to withhold such amount of tax from the purchase price as required, he shall become personally liable for payment of the amount required to be withheld by him to the extent of the price of the accommodations valued in money.

(d) **Determination of Tax by Audit.**

(1) The City Clerk-Treasurer may, by office audit, determine the tax required to be paid to the City or the refund due to any person under this Chapter. This determination may be made upon the basis of the facts contained in the return being audited or on the basis of any other information within the City Clerk-Treasurer's possession that meets the criteria set forth in Sec. 66.0615(2), Stats. One or more such office audit determination may be made of the amount due for any one or for more than one period.

(2) The City Clerk-Treasurer may, by field audit, determine the tax required to be paid to the City or the refund due to any person under this Chapter. The determination may be made upon the basis of the facts contained in the return being audited or upon any other information within the City Clerk-Treasurer's possession. The City Clerk-Treasurer is authorized to

examine and inspect the books, records, memoranda, and property of any person in order to verify the tax liability of that person or of another person. Nothing herein shall prevent the City Treasurer from making a determination of tax at any time.

- (e) **Failure to File Return.** If any person fails to file a return as required by this Chapter, the City Clerk-Treasurer shall make an estimate of the amount of the gross receipts under Subsections (b) and (c). Such estimate shall be made for the period for which such person failed to make a return and shall be based upon any information which is in the City Clerk-Treasurer's possession or may come into the Clerk-Treasurer's possession. On the basis of this estimate, the City Clerk-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. One or more such determinations may be made for one or more than one period.
- (f) **Interest of Unpaid Taxes.** All unpaid taxes under this Chapter shall bear interest at the rate of twelve percent (12%) per year from the due date of the return until the first day of the month following the month in which the tax is paid or deposited with the City Clerk-Treasurer. An extension of time within which to file a return shall not operate to extend the due date of the return for purposes of interest computations. If the City Clerk-Treasurer determines that any overpayment of tax has been made intentionally or by reason of carelessness or neglect, or if the tax which was overpaid was not accompanied by a complete return, he shall not allow any interest thereon.
- (g) **Delinquent Returns; Late Fee; Penalty.**
- (1) Delinquent tax returns shall be subject to a late filing fee of One Hundred Dollars (\$100.00). The tax imposed by this Chapter shall become delinquent if not paid:
 - a. In the case of a timely filed return, within thirty (30) days after the due date of the return, or within thirty (30) days after the expiration of an extension period, if one is granted.
 - b. In the case of no return filed or a return filed late, by the due date of the return.
 - (2) If due to negligence no return is filed, or a return is filed late, or an incorrect return is filed, the entire tax finally determined shall be subject to a forfeiture established herein as follows:

- a. A forfeiture of 25% or \$5,000, whichever is less, of the tax imposed and is due and owing within 30 days after the due date of said return.
- b. If a person fails to file a return when due or files a false or fraudulent return with the intent in either case to defeat or evade a tax imposed by this ordinance, a forfeiture of 50% of the entire tax finally determined shall be added to the tax required to be paid exclusive of interest and other penalties.

SEC. 6-11-6 SECURITY REQUIRED.

In order to protect the revenue of the City, the City Clerk-Treasurer may require any person liable for the tax imposed by this Chapter to place with him before or after a permit is issued such security not in excess of One Hundred Dollars (\$100.00), or such other maximum amount as determined by the Common Council from time to time, as the City Clerk-Treasurer shall determine. If any taxpayer is or refuses to place security, the City Treasurer may revoke or refuse to issue such permit. If any taxpayer is delinquent in the payment of the taxes imposed by this Section, the City Clerk-Treasurer may, upon ten (10) days' notice, recover the taxes, interest and penalties from the security placed with the said Clerk-Treasurer by such taxpayer. No interest shall be paid or allowed by the City to any persons for the deposit of such security.

SEC. 6-11-7 RECORDS TO BE MAINTAINED.

Every person liable for the tax imposed by this Section shall keep or cause to be kept such records, receipts, invoices and other pertinent papers in such form as the City Clerk-Treasurer and this Chapter shall require. Such records shall be retained and made available for a period of five (5) years from the due date of a filing period.

SEC. 6-11-8 CONFIDENTIALITY MAINTAINED.

- (a) All tax returns schedules, exhibits, writings, or audit reports relating to such returns on file with the City Clerk-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) Officers, agents or employees of the Federal Internal Revenue Service or the State Department of Revenue.

- (3) Officers, employees or agents of the City Auditors.
 - (4) Such other public officials of the City of Thorp when deemed necessary.
 - (5) When directed by Court order.
- (b) No person having an administrative duty under this Section 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 Section or the amount or source of income, profits, losses, expenditures or any particulars thereof, set forth or disclosed in any return, or to permit any return or copy thereof to be seen or examined by any person except as provided above.

SEC. 6-11-9 PENALTIES.

Any person, who is subject to the tax imposed by this Chapter, or who fails or refuses to permit the inspection of his record by the City Clerk-Treasurer after such inspection has been duly required by such Clerk-Treasurer, or who fails to file a return as provided in this Chapter, or who violates any other provision of this Chapter, shall be subject to a forfeiture of not less than fifty (\$50.00) Dollars nor more than two hundred fifty (\$250.00) Dollars plus court costs, fees and assessments. Each day or portion thereof, that such violation continues is hereby deemed to constitute a separate offense.