

Washtenaw County Accommodation Ordinance

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ACCOMMODATION ORDINANCE

AN ORDINANCE providing for the assessment and collection of an excise tax on persons engaged in the business of providing rooms for dwelling, lodging or sleeping accommodations to transient guests; purpose; to require reports; provide for the powers and duties of the County Chief Financial Officer power to contract for fund administration; to provide penalties; to provide for abatements and refunds; and to provide for disposition of revenues.

The Washtenaw County Board of Commissioners hereby ordains.

SECTION 1 - DEFINITIONS

- (a) "Accommodations" means the room or other space provided for sleeping, including furnishings and other accessories therein; does not include food and beverages. For purposes of this Ordinance, "Accommodations" shall mean the actual cost of the room rental and does not include charges for any other services.
- (b) "Bed and Breakfast" means a private residence that offers sleeping accommodations to transient tenants in 14 or fewer rooms for rent, and has a smoke detector in proper working order in each sleeping room, and a fire extinguisher in proper working order on each floor. For purposes of this Ordinance, the term, "Bed and Breakfast" is also defined to include cottages, as well as, individual homes and/or rooms within individual homes which are periodically leased for one-time events such as football games or concerts.
- (c) "County Chief Financial Officer" means the Department Head of the Finance Department of Washtenaw County.
- (d) "Convention and entertainment facilities" means all or any part, or any combination of convention halls, auditoriums, stadiums, music halls, arenas, meeting rooms, exhibit areas, and related public areas.
- (e) "Person" means a natural person, partnership, fiduciary, association, corporation or other entity.
- (f) "Revenues" means the income derived from the excise tax levied under this Ordinance, plus interest and penalties imposed by this Ordinance.
- (g) "Transient Guest" means a natural person staying less than 30 consecutive days.

SECTION 2 - PURPOSE

The purpose of this Ordinance is to raise money to promote and encourage tourist and convention business in the County of Washtenaw and to finance the acquisition, construction, improvement, enlargement, and repair or maintain convention and entertainment facilities.

SECTION 3 - LEVY OF TAX, COLLECTION, RATE, EXCEPTIONS

- (a) There is hereby levied upon and shall be collected from all persons engaged in the business of providing rooms for dwelling, lodging or sleeping purposes to transient guests, whether or not membership is required for the use of the accommodations, an excise tax equal to 5% of the total charge for accommodations.
- (b) No tax shall be imposed upon a bed and breakfast, including cottages, individual homes, and/or rooms within individual homes which are periodically leased for one-time events, hospital, nursing home, or upon a corporation or association organized and operated exclusively for religious, charitable or educational purposes, in which no part of the net earnings inures to the benefit of any private shareholder or individual.

SECTION 4 - COLLECTIONS

All persons, except those specifically exempted by section 3(b), who are engaged in the business of providing rooms for dwelling, lodging or sleeping purposes to transient guests, shall collect the tax imposed in Section 3 hereof, for the County of Washtenaw.

SECTION 5 - REPORTS, REMITTANCES

On or before the fifteenth (15th) day of each month, every person required in Section 4 thereof to collect the tax imposed herein, shall file a report for the preceding month with the County Chief Financial Officer showing the total amount of consideration paid for all accommodations in the preceding month, the amount of the tax collected on such accommodations, and any other information the County Chief Financial Officer may reasonably require. Such person shall pay the tax due on such accommodations at the time of filing this report with the County Chief Financial Officer. All remittances of taxes imposed by this Ordinance shall be to the County Treasurer by bank draft, check, cashier's check, money order, certificate of deposit or money. The County Treasurer shall issue his/her receipt, and shall deposit such monies in a special fund of the County; provided, however, that no remittance other than cash shall be a final discharge of liability for the tax herein assessed and levied unless and until it has been paid in cash.

SECTION 6 - POWERS AND DUTIES OF COUNTY CHIEF FINANCIAL OFFICER, RULES AND REGULATIONS, COLLECTION EXPENSES

The County Treasurer shall collect the tax imposed in Section 3 herein and the County Chief Financial Officer shall administer and enforce this Ordinance. The County Chief Financial Officer shall have the power to make such rules and regulations, subject to the approval of the Board of Commissioners, as are necessary to effectively collect the tax levied herein and shall upon reasonable notice have access to books and records necessary to enable him/her 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. The County Chief Financial Officer shall furnish forms, instructions, manuals and other materials necessary for endorsement of the tax and the auditing of tax returns to each taxpayer. The County will receive an amount not to exceed ten percent (10%) of all accommodations proceeds collected under this Ordinance plus, all interest and penalty fees for administrative and enforcement expenses incurred by the County.

SECTION 7 - POWER TO CONTRACT FOR FUND ADMINISTRATION

The County of Washtenaw may enter into a contract with a non-profit agency outside of the county government to carry out the purposes of this Ordinance.

SECTION 8 - ABATEMENTS AND REFUNDS

If a return or remittance is filed after the due date set forth in Section 5 and it is shown that the failure to file it was due to reasonable cause and not due to willful neglect, as determined by the County Chief Financial Officer, the penalty and interest prescribed in Section 11 shall not apply; Provided, However, the County Chief Financial Officer shall at no time have the power or authority to cancel or diminish any part of the tax imposed under this Ordinance unless the tax was inadvertently collected from a person meeting the requirements in Section 3 (b) or a court of competent jurisdiction orders such.

SECTION 9 - OTHER TAXES NOTWITHSTANDING

The taxes levied under this Ordinance shall be in addition to any other taxes, charges or fees.

SECTION 10 - DISPOSITION OF REVENUES

The revenues derived from the taxes imposed pursuant to this Ordinance may be used by the County or any authority which is organized pursuant to state law for only the following purposes:

- (a) The cost of administration and enforcement of the Ordinance.
- (b) The financing of the acquisition, construction, improvement, enlargement, repair or maintenance of convention and entertainment facilities, including the payment of principal and interest, when due, on bonds or other evidence of indebtedness issued by the County for convention and entertainment facilities.
- (c) Current or future annual rental payable by the County to an authority organized pursuant to state law for the purpose of acquiring, construction, improving, enlarging, repairing or maintaining the convention and entertainment facilities and leasing them to the County.
- (d) The promotion and encouragement of tourist and convention business in the County.

SECTION 11 - PENALTIES

Any person who violates any provision of this Ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined an amount not to exceed One Hundred (\$100.00) Dollars or imprisoned in the County Jail for a period not to exceed ninety (90) days, or by both such fine and imprisonment. In addition, any person who fails to remit the tax or violates the reporting provision imposed by this Ordinance within the time required shall forfeit an additional five (5%) percent of the amount of the unpaid tax per month or fraction thereof after the due date until paid; provided,

however, said penalty shall not exceed twenty-five (25%) percent of the unpaid tax. In addition, delinquent taxes shall draw interest at the rate of one (1%) percent per month or fraction thereof of the unpaid tax after the due date until paid. Any penalty and/or interest added thereto shall be collected as part of the tax.

SECTION 12 - OVERSIGHT AND GOVERNANCE

- (a) This Ordinance shall be overseen by the Washtenaw County Economic Development Committee.
- (b) Functions and Duties – The Washtenaw County Economic Development Committee shall carry out the following functions and perform the following duties.
 1. Recommend to the Washtenaw County Board of Commissioners that it contract with local agencies to perform the functions of this Ordinance.
 2. Review existing and proposed contracts with local agencies and report its recommendations to the Washtenaw County Board of Commissioners.
 3. Annually review and recommend to the Washtenaw County Board of Commissioners for their approval the budgets of any local agency which has a contract under this Ordinance.
 4. Review annual audits of any local agency which has a contract under this Ordinance and report to the Washtenaw County Board of Commissioners on its review.
 5. Quarterly review financial and program reports submitted by local agencies which have contracts under this Ordinance.
 6. Annually review and report to the Washtenaw County Board of Commissioners on the distribution of the proceeds of this tax to local agencies.
 7. Assist the County Chief Financial Officer in any collection problem that may arise.
 8. Perform such other duties that are consistent with this Ordinance and are from time to time authorized by the Washtenaw County Board of Commissioners.

SECTION 13 - SEPARABILITY

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

SECTION 14 - REPEAL OF CONFLICTING ORDINANCES

All ordinances or parts of ordinances conflicting with the provisions of this Ordinance of Washtenaw County are hereby repealed.

SECTION 15 - EFFECTIVE DATE

This amended Ordinance shall become effective on the 1st day of January, 2016

IN WITNESS WHEREOF, this ordinance is hereby executed this ___th day of _____, 20__

ATTESTED TO:

COUNTY OF WASHTENAW:

By: _____
Lawrence Kestenbaum
Washtenaw County Clerk/Register of Deeds

By: _____
Felicia Brabec, Chair
Washtenaw County Board of Commissioners