

Commonwealth of Kentucky

Calloway County Fiscal Court

ORDINANCE No. 20-0617-A

**AN ORDINANCE IMPOSING A TRANSIENT ROOM TAX; ESTABLISHING COLLECTION OF TAXES; ESTABLISHING THE COUNTY TREASURER AS EXAMINER; ESTABLISHING PAYMENT TO THE CALLOWAY COUNTY TOURISM COMMISSION; ESTABLISHING PENALTIES FOR NONCOMPLIANCE; AND ESTABLISHING AN EFFECTIVE DATE UPON PUBLICATION AND SEVERABILITY.**

**BE IT ORDAINED BY THE COUNTY OF CALLOWAY:**

**SECTION 1**

There is hereby imposed a three percent (3%) transient room tax on the rent of each room, per night of a suite, room, or rooms, charged by all persons, companies, corporations, or other like or similar persons, groups, campgrounds or organizations doing business as motor courts, motels, hotels, inns, bed & breakfast, Airbnb, VRBO, or the like or similar organizations (hereinafter known as Host) doing business within the territorial jurisdiction of Calloway County, Kentucky. This transient room tax shall not apply to the rental or leasing of an apartment, suite, or room supplied by an individual or business that regularly holds itself out as exclusively providing long term stays of a period of thirty (30) days or more.

**SECTION 2**

All persons, companies, partnerships, limited liability companies, or other like or similar persons, groups or organizations doing business subject to the said tax shall collect and pay said tax to the Calloway County Treasurer as the designated collection agency for the Calloway County Tourism Commission. All transient room taxes imposed by this ordinance shall be due no later than thirty (30) days after the end of each calendar month in which sales occurred. The tax shall be remitted monthly and reported annually (see SECTION 3) on forms provided by the Calloway County Treasurer.

The information contained in these reports shall be confidential. However, the information contained in all reports received pursuant to the collection of the transient room tax may be set down separately in statistical form, which statistical compilation shall not be confidential so long as it contains no information by means of which it would be possible to determine the gross receipts or other business information for an individual taxpayer. Such statistical reports may list the names of all taxpayers as a group so long as there are more than three (3) such taxpayers in a group.

~~Each person, company, corporation, partnership, limited liability or other like or similar person, group or organization doing business subject to the said tax may deduct and retain two percent (2) of the first one thousand dollars (\$1,000.00) of tax due and one percent (1%) of the tax due in excess of one thousand dollars (\$1,000.00) per month, as reimbursement for the cost of collecting and remitting the tax and required forms.~~

**SECTION 3**

Every Host doing business within the territorial jurisdiction of Calloway County, Kentucky subject to the transient room tax imposed by this ordinance shall annually, regardless of if any funds or taxes are collected, by March 1, furnish the Calloway County Treasurer with a written breakdown of all collections in the preceding calendar year for the transient room tax collected.

#### **SECTION 4**

The Calloway County Treasurer and/or a duly authorized agent may request to examine the books, papers, and records of any person, firm, organization, or other like or similar accommodation business required herein to file a return. The examination shall be permitted in order to determine the accuracy of any return made, or if no return was made to determine the amount of room tax due and owing.

#### **SECTION 5**

All monies collected pursuant to KRS 91A.390 shall be maintained in an account separate and unique from all other funds and revenues collected, and shall be considered tax revenue for the purpose of KRS 68.100 and shall be utilized for the purposes set out in KRS 91A.350 to KRS 91A.390. All monies collected by the Calloway County Treasurer shall be paid over to the Calloway County Tourism Commission within thirty (30) days of payment due. Late payments collected by the Calloway County Treasurer shall be paid over within fifteen (15) days after receipt. In consideration of the cost of collection of the tax, bookkeeping expenses, costs of forms, postage and other incidental expenses which will necessarily be incurred by the Calloway County Treasurer, the County may be paid a commission of three percent (3%) of all taxes collected hereunder, including any interest and penalties collected thereon. All receipts and payments utilized by the County relating to collection and payment of the transient room tax shall be included in the annual audit of the County as prescribed by Kentucky Revised Statutes.

#### **SECTION 6**

A portion of the money collected from the imposition of this tax, as determined by the Calloway County Fiscal Court, upon the advice and consent of the Calloway County Tourism Commission, may be used to finance the cost of acquisition, construction, operation, and maintenance of facilities useful in the attraction and promotion of tourist and convention business. The balance of the money collected from the imposition of this tax shall be used for the purpose set forth in KRS 91A.350. Proceeds from this tax shall not be used as a subsidy in any form to any Host or restaurant. Money not expended by the Commission during any fiscal year shall be used to make up part of the Commission's budget for the next fiscal year.

#### **SECTION 7**

Any transient room tax imposed by this ordinance remaining unpaid 10 days after the same becomes due shall bear interest at the rate of ten percent (10%) per day, per annum, and the person from whom the transient room tax is due shall further be charged a penalty of ten percent (10%) of the amount of the unpaid tax. In addition, any person who shall fail to collect and pay over to the Calloway County Treasurer the appropriate transient room tax accumulated annually, or any portion thereof, shall be fined not less than one hundred dollars (\$100.00) nor more than five hundred dollars (\$500.00) for each offense.

The failure to make timely remittance and payment of transient room tax shall be considered to be a theft by failure to make required disposition of property as proscribed by KRS 514.070.

#### **SECTION 8**

This ordinance shall be published in the Murray Ledger and Times newspaper by title and summary within thirty (30) days following adoption and shall become effective upon publication.

**SECTION 9**

Severability. If any portion of this ordinance is held to be un-constitutional or otherwise invalid by any court of competent jurisdiction, the remaining provisions of this ordinance shall not be invalidated.

Upon motion made by Magistrate Crutcher and seconded by Magistrate Rister, at first reading was held and approved on the 20th day of May 2020.

Upon motion made by Magistrate Rister and seconded by Magistrate Hale, that the ordinance be duly adopted.

Whereupon, the vote was called and on roll call the vote stood. Whereupon, Calloway County Judge-Executive, Kenneth C. Imes declared the ordinance adopted on the second reading, affixing this signature and the date hereto and declared that the same be recorded.

**APPROVED, RESOLVED, ADOPTED AND EXECUTED ON 17<sup>th</sup> DAY OF June, 2020.**



KENNETH C. IMES,

Calloway County Judge-Executive



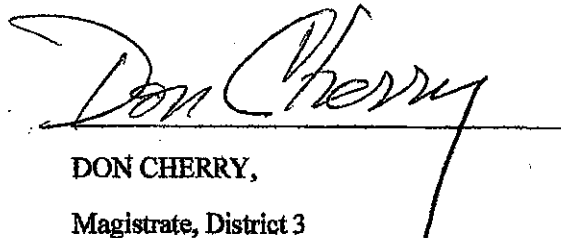
EDDIE CLYDE HALE,

Magistrate, District 1



LARRY CRUTCHER,

Magistrate, District 2



DON CHERRY,

Magistrate, District 3



PAUL RISTER,

Magistrate, District 4



Attested to by: ANTONIA D. FAULKNER,

Clerk of Calloway County