

**ORDINANCE NO. 35-2007**

**AN ORDINANCE ENACTING A TRANSIENT GUEST BED TAX IN THE VILLAGE OF MADISON PROVIDING FOR RATE OF TAX, EXEMPTIONS, PENALTIES AND FOR ITS COLLECTION AND ADMINISTRATION.**

**WHEREAS**, Council for the Village of Madison has determined that it is necessary for the operation of the Village government that a tax be levied on overnight lodging of transient guests;

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF MADISON, COUNTY OF LAKE AND STATE OHIO, THAT THE MADISON VILLAGE TRANSIENT GUEST BED TAX BE AND HEREBY IS ENACTED AS FOLLOWS:**

**SECTION 1: DEFINITIONS**

For purposes of this chapter, the following words and phrases shall have the following meanings ascribed to them respectively:

- (a) "Hotel" means every establishment kept, used, maintained, advertised, or held out to the public to be a place where sleeping accommodations are offered for a consideration to guests, in which 5 or more rooms are used for the accommodation of guests, whether the rooms are in one or several structures.
  
- (b) "Bed & Breakfast Inn" means a residential structure in which 2 or more rooms are available to paying guests and are lodged on an overnight basis. The guests may be served breakfast in connection with their lodging.
  
- (c) "Occupancy" means the use or possession, or the right to the use or possession of any room or rooms, or space or portion thereof, in any hotel or bed and breakfast for dwelling, lodging, or sleeping purposes. The use or possession or right to use or possess any room or any suite of connecting rooms as office space, banquet, or private dining rooms, or exhibit, sample, or display space shall to be considered occupancy within the meaning of this definition, unless the person exercising occupancy uses or possesses, or has the right to use or possess, all or any portion of the room or suite of rooms for dwelling, lodging, or sleeping purposes.
  
- (d) "Operator" means the person who is proprietor of the hotel or bed and breakfast, whether in the capacity of owner, lessee, 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 chapter, and shall have the same duties and liabilities as his principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall, however, be considered to be compliance by both.

- (e) "Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate or any other group or combination acting as a unit.
- (f) "Rent" means the consideration received for occupancy valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property or services of any kind or nature, and also any amount for which the occupant is liable for the occupancy without any deduction therefrom whatsoever.
- (g) "Transient guest" means persons occupying a room or rooms for sleeping accommodations for less than 30 consecutive days.
- (h) "Village Tax Administrator" means the Village Tax Administrator of the Village of Madison or his agents, employees or designees.

## **SECTION 2: RATE OF TAX**

The Village of Madison agrees to create a Transient Guest Bed tax, the rate of tax as follows: Commencing on January 1, 2008 for the purpose of providing revenue with which to meet the needs of the Village for general operating expenses, there is levied a tax of 3% on all rents received by a hotel or bed and breakfast for lodging furnished to transient guests.

This tax constitutes a debt owed by the transient guest to the Village, which is extinguished only by payment to the operator as trustee for the Village, or to the Village. The transient guest shall pay the tax to the operator of the hotel or bed and breakfast 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 guest ceasing to occupy space in the hotel or bed and breakfast. If for any reason the tax due is not paid to the operator of the hotel or bed and breakfast, the Village Tax Administrator may require that the tax be paid directly to the Village; and

## **SECTION 3: EXEMPTIONS**

- (a) No tax shall be imposed under this chapter:
- (1) Upon rents not within the taxing power of the Village under the Constitution or laws of Ohio or the United States;
  - (2) Upon rents of \$5.00 a day or less
- (b) No exemption claimed under subsections (a)(1) or (2) hereof shall be granted except upon a claim therefore made at the time rent is collected, and, under penalty of perjury, upon a form prescribed by the Village Tax Administrator. All claims of exemption under subsection (a)(3) hereof shall be made in the manner prescribed by the Village Tax Administrator.

