

ORDINANCE NO. 16-09

**AN ORDINANCE ESTABLISHING A HOTEL TAX
WITHIN THE CITY LIMITS OF MORRISON**

WHEREAS, the Mayor and the City Council have discussed and considered the available opportunities for promotion of tourism in the City of Morrison and the methods by which such activity may be funded; and

WHEREAS, the Illinois Municipal Code authorizes adoption of a municipal hotel use tax (65 ILCS 5/8-3-14a); and

WHEREAS, the municipal hotel use tax allows funds to be generated that may be expended to promote tourism or otherwise attract nonresident visitors to the City of Morrison; and

WHEREAS, the City Council hereby finds that it is in the best interests of the residents of the City of Morrison, the City itself, and other local businesses that may benefit from an increase in tourism, to adopt and implement a municipal hotel use tax.

NOW THEREFORE BE IT ORDAINED, by the City Council of the City of Morrison that the Morrison Municipal Code is amended by adoption of the following as Chapter 52, Article VII, entitled "Hotel Tax".

SECTION 1: The recitals set forth in the Preambles to this Ordinance are true, and correct, and incorporated herein as if fully set forth in this Section 1.

SECTION 2: That Chapter 52 is amended by the addition of Article VII, which shall read as follows:

Chapter 52 - Article VII
Hotel Tax

Sec. 52-136. Purpose. The purpose of this Article is to generate revenue to be placed in a fund to generate tourism through the promotion of lodging, restaurants, attractions, conventions, expositions, and theatrical, sport, cultural, and other similar activities.

Sec. 52-137. Definitions. For the purposes of and as used in this Article unless the context otherwise require:

- (1) "Hotel" means any building or buildings in which the public may, for a consideration, obtain living quarters, sleeping, or housekeeping accommodations. The term includes inns, motels, tourist homes, or courts, lodging houses, rooming houses, apartment houses, and bed-and-breakfast houses.
- (2) "Occupancy" means the use or possession, or the right to the use or possession, of any room or rooms in a hotel for any purpose, or the right to the use or possession of the furnishings or to the services and accommodations accompanying the use and possession of the room or rooms.

- (3) "Room" or "rooms" means any living quarters, sleeping or housekeeping accommodations.
- (4) "Permanent resident" means any man or woman who occupies or has the right to occupy any room or rooms in a hotel for at least thirty (30) consecutive days for his or her own personal use unrelated to the conducting of any business or occupation.
- (5) "Rent" or "rental" 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.
- (6) "Person" means any natural individual, firm, partnership, association, joint stock company, joint venture, public or private corporation, or a receiver, executor, trustee, conservator, or other representative appointed by order of any court.
- (7) "Treasurer" means the City Treasurer of the City of Morrison, Illinois.
- (8) "Renter" means any person who pays for the privilege of using or occupying a hotel room for the period for which payment is made.
- (9) "City Clerk" means the City Clerk of the City of Morrison, Illinois.

Sec. 52-138. Tax Imposed.

(a) There is hereby levied and imposed a tax upon all persons, firms or corporations engaged in the business of renting, leasing or letting rooms in a hotel which is located within the corporate limits of the City of Morrison, Illinois, at a rate of five per cent (5%) of the gross rental receipts from such renting, leasing or letting for any purpose for each twenty four (24) hour period or portion thereof, excluding, however, from the gross rental receipts the proceeds of such rents, leasing or letting to permanent residents. The tax imposed herein shall be in addition to any and all other taxes and charges applicable to such hotels, but such other taxes and charges shall not be construed to be a part of the gross rental receipts upon which this tax is levied.

(b) The ultimate incidents of and liability for payment of the tax levied herein is upon the person engaged in the business of leasing, renting or letting said rooms. Such hotel owners and operators may reimburse themselves for their tax liability for this tax by separately stating such tax as an additional charge to the lessee or renter, which charge may be stated in combination as a single amount, with the State of Illinois tax imposed under "The Hotel Operator's Occupation Tax Act", (as provided for in 35 ILCS 145/1 et. seq.) No tax is imposed based upon receipts from any permanent residents of any hotel.

(c) No person engaged in the business of renting, leasing, or letting rooms in a hotel shall reimburse himself or charge for the imposition of this tax at a rate higher than the tax imposed by this Article.

(d) Except as otherwise provided in this paragraph, on or before the last day of each calendar month, every person engaged in the business of renting, leasing or letting rooms in a

hotel within the City of Morrison during the preceding calendar month shall file a return with the Treasurer, on forms to be supplied by the City Clerk, stating:

1. The name of the operator;
2. His residence address and the address of the principal place of business from which he engages in the business of renting, leasing or letting rooms in a hotel in the City;
3. Total amount of rental receipts received by him during the preceding calendar month from renting, leasing, or letting rooms during such preceding calendar month;
4. Total amount of rental received by him during the preceding calendar month from renting, leasing or letting rooms to permanent residents during such preceding calendar months;
5. Total amount of other exclusions from gross rental receipts as allowed by this ordinance;
6. Gross rental receipts which were received by him during the preceding calendar month and upon the basis of which the tax is imposed;
7. The amount of the tax due;
8. The amount of penalty due, if any;
9. Such other reasonable information as may from time to time be required by the Treasurer.

The person subject to tax shall also transmit to the Treasurer with the return required by this paragraph the amount of the tax and penalties, if any, due as shown by said return required by this paragraph the amount of the tax and penalties, if any, due as shown by said return. Such person shall also file with the Treasurer, not later than five business days after said documents are transmitted to the State of Illinois, copies of all hotel operator's occupation tax returns as are required by the provisions of "The Hotel Operators' Occupation Tax Act", 35 ILCS 145/1 et. seq.

(e) Any person engaged in the business of renting, leasing, or letting of hotel rooms shall maintain complete and accurate books and records, including a daily sheet showing the gross receipts for the hotel rentals for the day reported.

(f) For the purposes of enforcing and administering this Article, the Treasurer or such agents as are designated by the Treasurer shall, after providing reasonable notice, have access during normal business hours to the books and records of persons and businesses subject to this Article. The Treasurer or such agents as are designated by the Treasurer shall at least annually inspect said books and records and shall file a written report of his or her findings with the City Council no later than April 1 of each year.

(g) Any person who violates any provision of this Article, upon conviction thereof, shall be punished by a fine of not less than two hundred dollars (\$200.00) nor more than five hundred dollars (\$500.00) for the first offense, and not less than three hundred dollars (\$300.00) and not more than seven hundred and fifty dollars (\$750.00) for the second and each subsequent offense during any one hundred and eighty day (180) period. A separate and distinct offense shall be regarded as having been committed each day upon which said person shall continue any such violation.

(h) There is hereby created a "Morrison Tourism and Convention Promotion Fund" into which the Treasurer shall, by the twentieth day of each month, place the proceeds resulting from the previous month's collection of this hotel tax. The monies in this Fund may be utilized solely and exclusively for the purpose of promoting tourism and conventions or otherwise to attract nonresident visitors to the City of Morrison.

(i) This tax shall not in any manner constitute an indebtedness by the City of Morrison subject to any limitation imposed by statute or otherwise.

SECTION 3: This ordinance shall be in effect beginning on the first day of August, 2016, following its passage by the City Council, its approval by the Mayor and its publication as provided by law.

SECTION 4: The provisions and sections of this Ordinance shall be deemed to be separable, and the invalidity of any portion of this Ordinance shall not affect the validity of the remainder.

SECTION 5: All ordinances and parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

SECTION 6: The City Clerk is hereby directed to publish this Ordinance in pamphlet form.

Passed this ____ day of _____, 2016.

Mayor

ATTEST:

City Clerk