

ACCOMMODATIONS TAX ORDINANCE

Town of Manitowish Waters

Whereas, Section **66.75** of the Wisconsin Statutes provides for the imposition of an Accommodations Tax by Towns; and

Whereas, it is deemed to be in the best interests of the Town of Manitowish Waters to impose an Accommodations Tax for the general promotion of tourism, hospitality, and recreations facilities of the Town of Manitowish Waters;

Now, therefore, the Town Board of the town of Manitowish Waters does hereby ordain as follows:

Section 320-1 Definitions

ACCOMMODATIONS TAX

A tax on the gross receipts derived from the business of furnishing, at retail, rooms or lodging to transients by owners or operators of hotels or motels, and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for the use of the accommodations.

ACCOMMODATIONS TAX ANNUAL RECONCILIATION

A form prescribed and provided by the Town Treasurer for the purpose of reconciling the books of account for owners and operators of hotels and motels with the quarterly accommodations tax returns filed for the year.

ACCOMMODATIONS TAX PERMIT

A permit issued by the Town of Manitowish Waters annually to owners or operators of hotels or motels or others as defined in § **320-1** of this article.

GROSS RECEIPTS

As defined in W.S.A. § **77.51 (4)(a), (b) and (c)** insofar as applicable to receipts for providing accommodations.

HOTEL or MOTEL

A building or group of buildings in which the public may obtain accommodations for consideration, including, without limitation, such establishments as inns, motels, tourists homes, tourist houses or courts, lodging housing, rooming houses, camps, apartment hotels, resort lodges and cabins and any other building or group of buildings in which accommodations are available to the public, except accommodations rented for a continuous period of more than one month and accommodations furnished by any hospital, sanatorium, or nursing homes, or by corporations or associations organized and operated exclusively for religious, charitable or educational purposes, provided that no part of the net earnings of such corporations or associations inures to the benefit of any private shareholder or individual.

QUARTERLY ACCOMMODATIONS TAX RETURN

A form prescribed and provided by the Town Treasurer to the owners or operators of hotels or motels or others for the purposes of computing and submitting payment of the accommodations tax on a quarterly basis to the Town.

QUARTERLY AMENDED ACCOMMODATIONS TAX RETURN

A form prescribed and provided by the Town Treasurer for the purpose of amending a quarterly accommodations tax return previously filed with the Treasurer that requires correction of clerical or accounting errors.

TRANSIENT

Any person residing for a continuous period of less than one month in a hotel, motel or other furnished accommodations available to the public.

Section 320-2 Enactment of Tax

- A.** Accommodations tax. Pursuant to W.S.A. § **66.0615**, an accommodations tax in the amount of 4 ½% is hereby imposed on the gross receipts derived from the business of furnishing, at retail, rooms or lodging to transients by hotel keepers, motel operators and other persons furnishing accommodations that are available to the public as defined in § **320-1** of this article. Such accommodations tax shall not be subject to the selective sales tax imposed by W.S.A. § **77.52(2)(a)1**.
- B.** Membership hotel. If membership is required for use of the accommodations and the accommodations are provided as part of a package rate which includes other goods and/or services such as food, boat and motor, educational instruction, etc., the tax referred to in Subsection A, preceding, shall be applied only to that portion of the gross sales as is applicable to the accommodations and shall not be applied to the non-accommodations components of the package rate. The determination will be made by the Town Treasurer upon application by the owner or operator of the facility. In the event the Town Treasurer is unable to determine the percentage of gross sales for providing accommodations, he or she shall refer the determination to the Town Board, which shall make the final determination. The Town Board shall make such determination based on evidence presented to it by the owner or operator of the facility and after investigation and recommendation by its Accommodations Committee. The determination so made by the Town Board shall be based on the fair charge for the accommodations which are furnished other than those as an incident of membership. Such tax shall not be subject to the selective sales tax imposed by W.S.A. § **77.52(2)(a)1**.
- C.** Distribution of tax. The revenues collected from the accommodation tax shall be allocated as follows:

 - 1. Twenty-five percent shall remain with the Town of Manitowish Waters; said funds shall be used first for the cost of administration, and any remaining balance shall be used for the maintenance and improvement of recreational facilities and promotional projects relating to tourism, upon the advice and with the assistance of the Town's Accommodations Committee.

2. Seventy-five percent to the Manitowish Waters Chamber of Commerce for advertising and promotion of hospitality and tourist businesses. The allocation and distribution shall be made within 30 days after each calendar quarter.

Section 320-3 Administration of Tax

- A.** Administration. This chapter shall be administered by the Town of Manitowish Waters Treasurer.
- B.** Application for accommodation tax permit. Every person furnishing rooms or lodging or owning or operating a hotel or motel as defined in § **320-1** of this article shall file annually with the Town Treasurer an application for an accommodations tax permit for each place of business. Every application for an accommodations tax permit shall be made upon a form prescribed and provided by the Town Treasurer and at no cost to the applicant.
- C.** Issuing of accommodations tax permits. The Town Treasurer shall grant and issue to each applicant a separate accommodations tax permit for each place of business within the Town. Such accommodations tax permit is not assignable and is valid only for the applicant in whose name it is issued and for the transaction of business at the place designated therein. It shall at all times be displayed conspicuously at the place for which issued.
- D.** Quarterly accommodations tax return and tax payment due dates. The accommodations tax is due and payable within 30 days of the close of each calendar quarter. A quarterly accommodations tax return shall be filed with the Town Treasurer by owners or operators of hotels or motels or others, as defined in § **320-1**, with the Town, at the same time that said accommodations tax is due and payable.
- E.** Annual accommodations tax reconciliation return due date. An annual accommodations tax reconciliation shall also be required to be filed, along with any tax that may be due, with the Town Treasurer within 30 days of the close of each calendar year. Said annual accommodations tax reconciliation shall summarize the quarterly returns, reconcile and adjust for errors in the quarterly returns, and shall contain additional information as the Treasurer may require on said form.
- F.** Timely filing of returns. Any return required to be filed under the provisions of this article shall be postmarked by the United States Postal Service no later than the due date of such return and shall be considered filed in a timely manner.
- G.** Extension of time to file returns. The Town Treasurer may, for good cause, grant an extension of time to file any quarterly accommodations tax return or annual accommodations tax reconciliation return, but in no event shall said extension exceed one month from the required filing date. Said extension will avoid the late filing penalty, but interest will accrue on any tax not paid by the original due date of the return.

- H. Recordkeeping requirement. Every person liable for the tax imposed by this article, shall keep or cause to be kept accurate records of gross receipts for the business of providing rooms or lodging in hotels or motels as defined in § **320-1** of this chapter.
- I. Interest charge for unpaid taxes. All accommodations taxes not paid by the due date of any return required by this article shall bear interest at the rate of 12% per annum for the due date of the return until said tax is paid, exclusive of other penalties.
- J. Responsibility for unpaid tax. If any person liable for any amount of tax under this article sells his or her business or stock of goods, or quits the business, his or her successors or assigns shall be responsible for any unpaid tax due under this article.
- K. Audit procedures. The Town Treasurer may, by office of field audit, determine the tax required to be paid to the Town or the refund due any person under this article. This determination may be made upon the basis of the facts contained in the returns being audited or on the basis of any other information within the Treasurer's possession.
- L. Confidentiality. All tax returns, schedules, exhibits, writings or audit reports relating to such returns, on file with the Town Treasurer, are deemed to be confidential, except that the Treasurer may divulge their contents to the following and no others:
 - 1. The persons who filed the return.
 - 2. Officers or agents of the Town as may be necessary to enforce collection.
- M. Settlement. The Town Treasurer shall settle for accommodations taxes collected during any calendar quarter pursuant to a contract between the Manitowish Waters Chamber of Commerce and the Town of Manitowish Waters. Such settlement shall be on a form prescribed by the Town Treasurer.
- N. The Manitowish Waters Chamber of Commerce shall provide a monthly financial statement reflecting the proceeds that it receives and the amounts which it expends and for what purposes those amounts are expended.

Section 320-4 Enforcement

- A. Revocation of permit. When any person fails to comply with any provision of this article, the Treasurer may, upon 10 days' written notification and after affording such person the opportunity to show cause why his permit should not be revoked, revoke or suspend any or all of the permits held by such person under this article. In the event that such a permit is revoked or suspended, the Treasurer shall give to such person written notice of the same. The Treasurer shall not issue a new permit after the revocation of a permit until said person complies with the provisions of this article. A fee of \$10 shall be imposed for the renewal or issuance of a permit previously suspended or revoked.
- B. Estimate of taxes for failure to file and failure-to-file penalty. If any person fails to file a return as required by this article, within 30 days following the due date, the Town

Treasurer shall give said person written notice that a failure-to-file penalty shall be assessed. In the event that said person fails to respond by written notification to the Treasurer within 10 days as to why said penalty shall not be assessed, the Treasurer shall make an estimate of the amount of the gross receipts under this article. Such estimate shall be made for the period for which such person failed to file a return, based upon the prior year's returns, if available, or upon any quarterly returns as have been filed with the Treasurer, or upon any such information as the Treasurer may obtain concerning the business. On the basis of this estimate, the Treasurer shall compute and determine the amount of tax due the Town, adding to the sum thus arrived at a failure-to-file penalty equal to 25% of the tax due, exclusive of other penalties or interest charges.

- C. Late-filing penalty. Any delinquent tax returns for which an extension of time to file has not been granted by the Town Treasurer shall be subject to a \$20 late-filing penalty of \$20, exclusive of interest or other penalties.
- D. False- or fraudulent-return penalty. Any person who files a false or fraudulent return with the intent in either case to defeat or evade the tax imposed by this article shall be assessed a fraudulent-filing penalty of 50%, exclusive of interest and other penalties.
- E. Forfeiture. Any person who is subject to the tax imposed by this article who fails to obtain a permit as required in § 320-3B, or who fails or refuses to permit the inspection of his or her business records by the Treasurer after such inspection has been duly requested by the Treasurer, or who fails to file a return as provided in this article, or who violates any other provision of this article, shall be subject to a forfeiture not to exceed \$200. Each day, or portion thereof, that such violation continues is hereby deemed to constitute a separate offense.
- F. Issuance of citation. The Clerk or Treasurer of the Town of Manitowish Waters shall be authorized to issue a citation pursuant to W.S.A. § 778.25 for any violation of this article.

Section 320-5 References

- A. References to the terms "person," "anyone," "others," or like references shall be deemed to refer to a person, a sole proprietorship, a company, a partnership, a corporation, a municipal corporation, and also a responsible member or a responsible officer or a responsible managing agent or any single proprietorship, partnership, company or corporation unless the context clearly indicates otherwise.

Section 320-6 State Law Also Applies

Nothing contained in this article shall be deemed to limit or restrict the application of any state law or administrative regulation of any state agency regulating the subject of this article.

A. NEW REPORTING REQUIREMENTS (2017)

Starting in 2017, every municipality that imposes room tax must file an annual **SL-304** form report with the Wisconsin Department of Revenue (DOR). The SL-304 form must

be filed electronically by May 1st of the subsequent year. The following information from the previous year must be reported:

- Amount of room tax collected
- Room tax rate imposed
- Detailed accounting of:
 - Amounts forwarded to a tourism entity or commission
 - Expenditures of \$1,000 or more made by the tourism entity or commission
- For each tourism entity or commission that received room tax revenues in the previous year, a list of the commission's or tourism entity's governing body members, and the name of the business entity each member owns, operates, or is employed by (if any).