

ORDINANCE NO. 15-2024

ORDINANCE TO AMEND SECTION 2-321 OF THE MUNICIPAL CODE OF ORDINANCES
PERTAINING TO ROOM TAX

WHEREAS, the Mount Pleasant Village Board of Trustees, upon the recommendation of Village staff, finds that it is necessary and appropriate to update the Village’s Room Tax Ordinance to reflect current practices, and;

WHEREAS, the Mount Pleasant Village Board of Trustees finds that it is in the best interest of the health, safety and welfare of the citizens of the Village to amend Section 2-321 of the Municipal Code of Ordinances.

NOW THEREFORE, at a regular meeting of the Village Board of the Village of Mount Pleasant, held on the 24th day of June, 2024, a quorum of the members of the Village Board being present and a majority voting in favor thereof, the Village Board does hereby ordain as follows:

SECTION 1. Section 2-321 of the Municipal Code of Ordinances is hereby amended to read as follows (additions in underline, deletions in ~~strike through~~):

§ 2-321 Room Tax.

(a) Definitions. As used in this section, the following terms shall have the meanings indicated:

HOTEL or MOTEL

A building or group of buildings in which the public may obtain accommodations for a consideration, including, without limitation, such establishments as inns, motels, tourist homes, tourist houses or courts, lodging houses, rooming houses, summer 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, including mobile homes as defined in Wis. Stats. § 101.91(10), manufactured homes as defined in Wis. Stat§ 101.91(2), and recreational vehicles as defined in Wis. Stats. § 340.01(48r), rented for a continuous period of more than one month and accommodations furnished by any hospitals, sanatoriums, 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 and associations inures to the benefit of any private shareholder or individual. In this subdivision, "one month" means a calendar month or 30 days, whichever is less, counting the first day of the rental and not counting the last day of the rental.

OPERATOR

A person, firm or association of any kind which owns a hotel or motel as defined in this section.

TOURISM PROMOTION AND TOURISM DEVELOPMENT

Any of the following that are significantly used by transient tourists and reasonably likely to generate

paid overnight stays at more than one establishment on which room tax may be imposed:

- (1) Marketing projects, including advertising media buys, creation and distribution of printed or electronic promotional tourist materials, or efforts to recruit conventions, sporting events, or motorcoach groups.
- (2) Transient tourist informational services.
- (3) Tangible municipal development, including, but not limited to, a convention center.

TRANSIENT

- (a) Any person residing for a continuous period of less than one month in a hotel, motel or other furnished accommodations available to the public.
- (b) Tax imposed. Pursuant to the authority of Wis. Stats. § 66.0615(1m)(a) and incorporated herein by reference, the Village hereby imposes a tax in the amount of 8% of gross receipts from the lease or rental of a hotel or motel to transient persons within the Village. Any tax so imposed shall not be subject to the selective sales tax imposed by Wis. Stats. § 77.52(2)(a)1.
- (c) Reporting required.
 - (1) Every operator covered by this section shall submit a monthly report to the Village Treasurer showing the gross receipts from furnishing accommodations and the tax due to the Village. The report and tax shall be submitted by the last day on the 20th of each month for the receipts of the previous month. The monthly report shall be signed by the operator.
 - (2) The operator may retain \$41.67 plus 1% of the tax collected for administration on their monthly report filing. If the operator chooses not to retain this credit on their monthly reporting, the Village shall not issue a refund or credit a future filing.
- (d) Tourism Commission.
 - (1) Creation. There is hereby created a Village of Mount Pleasant Tourism Commission to coordinate tourism promotion and development in the Village.
 - (2) Composition. The Commission shall consist of no less than four but no more than six members. At least one Commissioner shall represent the Wisconsin hotel and motel industry. Commissioners shall be appointed by the Village President and confirmed by a majority of the members of the Village Board who are present when the vote is taken.
 - (3) Term. Commissioners shall serve for a one-year term expiring on January 1 at the pleasure of the Village President. Commissioners may be reappointed.
 - (4) Officers. The Commission shall elect a Chairperson, Vice Chairperson and Secretary at the first meeting held after January 1 of each year.
 - (5) Meetings. The Commission shall meet regularly and conduct its proceedings in accordance with Robert's Rules of Order.

- (6) Duties.
- a. Use the room tax appropriated to the Commission for tourism promotion and tourism development within the Village and contract with an organization to perform the functions of a tourism entity.
 - b. Report any delinquencies or inaccurate reporting pertaining to room tax collection to the Village.
 - c. Submit a report to the Village Board on or before September 15 of each year itemizing its expenditures and proposing its budget for the following year.
- (e) Appropriation.
- (1) The Village shall appropriate 75% of room tax revenue to the Tourism Commission.
- (f) Enforcement.
- (1) The Village adopts by reference the enforcement provisions in Wis. Stats. § 66.0615 as amended from time to time, including:
 - a. If the Village has probable cause to believe that the correct amount of room tax has not been assessed or that the tax return is not correct, inspect and audit the financial records of any person operator pertaining to the furnishing of accommodations to determine whether the correct amount of room tax is assessed and whether any room tax return is correct.
 - b. A forfeiture of 5% of the tax due for failure to comply with a request to inspect or audit.
 - c. The Village Treasurer shall determine the tax due in his or her best judgment if the operator fails, neglects or refuses to furnish a complete report within 30 days of the date it is due.
 - d. The amount of tax which the Village Treasurer determines is due under Subsection (f)(1)c is additionally subject to 1% per month payment of the unpaid balance. No refund or modification of the amount may be made until the operator files a correct report and allows the Village to inspect and audit the accommodation's financial records.
 - e. Any operator who fails to pay a tax when due shall be subject to an assessment as follows:
 - i. If such payment is not received by the last day 20th of the month due pursuant to subsection (c)(1), but is paid prior to the 15th of the following month, a forfeiture of \$25 ~~\$200.00~~ shall be assessed.
 - ii. If such payment is not made prior to the 15^h of the following month, then the operator shall pay an assessment of ~~up to~~ 25% of the room tax due or \$5,000, whichever is less.
- Any assessments levied under this subsection shall be in addition to interest imposed pursuant to subsection (f)(1)(d), above.
- (2) If a false or fraudulent report is filed with the intent to evade the tax imposed, the Village Board may additionally subject the operator to an assessment of 50% of the tax due.

(3) Upon conviction for violation of any provision of this section, the court shall impose the above amounts as forfeitures and order the payment of the forfeiture, tax and cost of prosecution and, in default of payment of the forfeiture tax and cost of prosecution, may order the operator imprisoned for up to 90 days in the county jail.

SECTION 2. Section 42-6(h) of the Municipal Code of Ordinances is hereby repealed.

SECTION 3. All ordinances and parts of ordinances contravening the provisions of this ordinance are hereby repealed.

SECTION 4. The terms of this ordinance are severable. Should any term or provision of this ordinance be found to be invalid by a court of competent jurisdiction, the remaining terms and provisions shall remain in full force and effect.

SECTION 5. This ordinance shall take effect and be in force after its passage and publication.

PASSED AND ADOPTED by the Village Board of the Village of Mount Pleasant on the 24th day of June, 2024.

APPROVED:



David DeGroot, Village President

ATTEST:



Jill Firkus, Village Clerk