

Town of St. Germain, Vilas County

Code of Ordinances Chapter 12: Room Tax (Amended November 9, 2020)

12.01 TITLE AND PURPOSE: The title of this chapter is Chapter 12 - Town of St. Germain Room Tax. The purpose of this ordinance is to impose a tax on the privilege of furnishing lodging accommodations for the general promotion and development of tourism for the Town of St. Germain.

12.02 AUTHORITY: The Town of St. Germain has the authority to enact this ordinance under its village powers under §60.22, Wis. stats. and the specific authority under §§ 66.0615 and 66.75(1m)(a), Wis. stats.

12.03 DEFINITIONS: In this ordinance,

Gross Receipts means the meaning given is §77.51(a) Wis. stats., insofar as applicable to receipts from furnishing at retail, rooms or lodging to transients by hotel keepers, motel operators and other owners or lodging marketplaces furnishing accommodations that are available to the public.

Hotel or Motel means 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, 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, including mobile homes as defined in §66.058(1)(d) Wis. stats. This definition does not include accommodations rented for a continuous period of more than one month and accommodations furnished by any hospital, sanatorium or nursing home, or by a corporation or association organized and operated exclusively for Religious, charitable or educational purposes, provided no part of the net earnings of such corporation or association inures to the benefit of any private shareholder or individual.

Lodging marketplace means an entity that provides a platform through which an unaffiliated 3rd party offers to rent a short-term rental to an occupant and collects the consideration for the rental from the occupant

Permittee means the owner or lodging marketplace to whom the Town has issued a room tax permit.

Owner means the owner of an accommodations business subject to the provisions of this chapter.

Room Tax means a tax on the gross receipts derived from furnishing at retail, rooms or lodging to transients by hotel keepers, motel operators and other owners or lodging marketplaces furnishing accommodations that are available to the public.

Room Tax Permit means a permit issued by the Town annually to any owner or lodging marketplace furnishing at retail, rooms or lodging to transients or other accommodations that are available to the public.

Room Tax Return means a form prescribed and provided by the Town Treasurer for computing and submitting monthly or quarterly payment of the room tax. Such room tax return shall report the gross receipts subject to the room tax hereunder, the amount of the room tax due and shall contain certain additional information as the Town Treasurer may require on such form.

Short-term rental means rental of a residential dwelling for fewer than 29 consecutive days

Transient means any individuals residing for a continuous period of less than 30 days in a hotel, motel or other furnished accommodations available to the public.

Town means the Town of St. Germain, Vilas County, WI

Town Board means the Town of St. Germain Board of Supervisors

Treasurer means the Town of St. Germain Treasurer

Wis. Stats. means the Wisconsin Statutes, including successor provisions to cited statutes.

12.04 ROOM TAX IMPOSED:

(A) Room Tax: Pursuant to §66.75, Wis. State., a room tax in an amount to be periodically set by the St. Germain Town Board is hereby imposed on the gross receipts derived from furnishing at retail, rooms or lodging to transients by hotel keepers, motel operators, short-term rental accommodations owners or lodging marketplaces furnishing accommodations that are available to the public. The current amount of the tax need not be specified in this ordinance but shall be posted in writing by the Town Clerk in a conspicuous place at the Town Offices. The amount of tax assessed may be revised by the St. Germain Town Board following a Public Hearing conducted by the Town Board. In the event the tax is changed, notice of the new amount shall be posted by the Town Clerk within 24 hours of the change. Such accommodations tax shall not be subject to the selective sales tax imposed by §77.52(2)(a)(I) Wis. Stats., and may not be imposed on sales to the federal government and persons listed under §77.54(9)(a) Wis. Stats.

(B) Package Rates: If lodging 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., irrespective of whether membership is required for use of the accommodations, the tax referred to in §12.05(I) of this chapter shall be applied only to that portion of the package rate representing gross receipts as defined in §12.03 of this chapter. The determination of the portion of the package rate representing gross receipts as defined in §12.03 of this chapter 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 portion of the package rate representing the gross receipts as defined in §12.03 of this chapter, 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 the St. Germain Accommodations Commission, created pursuant to §77.52(2)(a)(1) Wis. Stats.

- (C) Distribution of Tax: No more than 45 days after March 31, June 30, September 30 and December 31 of each year, the Town Board shall allocate and distribute 75% of the room tax revenues collected in the quarter ending December 31, March 31, June 30 and September 30, respectively, in accordance with a contractual agreement between the Town Board and the St. Germain Chamber of Commerce specifying advertising and promotion of the hospitality and tourism business requirements to be performed by the St. Germain Chamber of Commerce.

12.05 ADMINISTRATION OF THE ROOM TAX:

(A) Administration: This chapter shall be administered by the Town Treasurer.

(B) Application for a Room Tax Permit:

- (1) Every owner or lodging marketplace furnishing retail rooms or lodging to transients and other owners or lodging marketplaces furnishing accommodations that are available to the public shall file annually with the Town Treasurer, by no later than June 30, an application for a room tax permit for each rental property.
- (2) Every application for a room tax permit shall be made upon a form prescribed and provided by the Town Treasurer and at no cost to the applicant.

Note: Lodging marketplaces must also apply for and obtain from the Wisconsin Department of Revenue a license to collect taxes and must collect and pay room taxes in accordance with all provisions of this chapter. Additionally, lodging marketplaces must notify each owner that the lodging marketplace has collected and forwarded the applicable room taxes.

(C) Issuing of Room Tax Permits: The Town Treasurer shall grant and issue to each owner or lodging marketplace a separate room tax permit for each rental property within the Town. Such room tax permit is not assignable and is valid only for the owner or lodging marketplace in whose name it is issued and for the transaction of business at the place designed therein. It shall at all times be displayed conspicuously at the place for which issued.

(D) Room Tax Return and Tax Payment Due Dates: Every owner or lodging marketplace furnishing at retail, rooms or lodging to transients and other owner or lodging marketplace furnishing accommodations that are available to the public shall file a room tax return and tax payments with the Town Treasurer within 30 days of the end of the applicable month or quarter as follows:

- (1) Accommodations businesses that submit their Wisconsin Sales Tax returns on a monthly basis shall also submit their Room Tax returns on a monthly basis.
- (2) Accommodations that submit their Wisconsin Sales Tax returns on a quarterly or annual basis shall submit their Room Tax returns either monthly or quarterly, but not annually.

(E) Timely Filing of Returns: Any return to be filed under the provisions of this chapter that is postmarked by the United States Post Office on or before the date due shall

be considered timely filed. If a return is postmarked after the due date, a delinquent filing fee will be imposed in an amount determined by the St. Germain Town Treasurer. Unpaid taxes bear interest of 1% per month from due date, until first day of month following month of payment.

- (F) Extension of Time to File Returns: The Town Treasure may, for good cause, grant an extension of time to file a room tax return or a room tax annual reconciliation return for a period not exceeding 30 days from the date due.
- (G) Estimate of Taxes for Failure to File: If any owner or lodging marketplace fails to file a return as required by this chapter within 30 days following the due date, the Town Treasurer shall give such owner or lodging marketplace written notice of the failure to file. In the event that such owner or lodging marketplace fails to respond by filing all required returns within 10 days of the date of the notice, the Town Treasurer shall make an estimate of the amount of the gross receipts under this chapter. Such estimate shall be made for the period for which such owner or lodging marketplace failed to file a return, based upon the prior year's returns, if available, or upon any information as the Town Treasurer to inspect and audit his or her financial records. Each owner or lodging marketplace required to pay room tax determined pursuant to this subsection shall also pay interest at the rate of 1% per month on the unpaid balance.
- (H) Record Keeping Requirements: Every owner or lodging marketplace subject to the tax imposed by this chapter shall keep or cause to be kept accurate records of gross receipts from furnishing at retail, rooms or lodging to transients and other owners or lodging marketplaces furnishing accommodations that are available to the public.
- (I) Responsibility for Unpaid Tax:
 - (1) If any owner or lodging marketplace liable for any amount of tax under this chapter sells his or her business, stock of goods, or quits the business, the original owner and, his or her successors or assigns shall be jointly and severally liable for any unpaid tax due under this chapter.
 - (2) If any owner or lodging marketplace fails to comply with §12.05(F) & (G) of this chapter, the Town Treasurer shall notify in writing, within 10 days of the delinquency commencing, all rental property owners represented by said property manager:
 - (a) That their lodging marketplace is delinquent in filing a tax return.
 - (b) That the tax return for their rental property or properties is subject to an interest rate of 1% per month on the unpaid balance.
 - (c) That their lodging marketplace may become subject to the enforcement provisions of §12.10 of this chapter, including revocation of room tax permit for their property.
- (J) Audit Procedures: Whenever the Town Treasurer has probable cause to believe the correct amount of room tax has not been assessed or that any return required to be filed under this chapter is not correct, the Town Treasurer may, by the office of field audit, inspect an audit the financial records of any owner or lodging marketplace pertaining to the furnishing of accommodations to determine whether or not any return required to be filed under this chapter is correct. The Town Treasurer may determine the tax required to be paid to the Town or the refund due any owner or lodging marketplace under this chapter. This determination may be made upon facts

contained in the returns being audited or on the basis of any other information within the Town Treasurer's possession.

- (K) Confidentiality: All tax returns, schedules, exhibits, writing or audit reports relating to such returns on file with the Town Treasure are deemed to be confidential, except that the Town Treasurer may divulge their contents to the following and no others:
- (1) The owners or lodging marketplaces who filed the return or their legal representatives.
 - (2) The Wisconsin Department of Revenue.
 - (3) Owners or lodging marketplaces using the information in the discharge of duties imposed by law or the duties of their office or by order of a court.

12.06 SEVERABILITY: The provisions of this chapter shall be deemed severable. If any sections subsection, paragraph, subparagraph, sentence, clause, phrase or portion of this chapter is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portion of this chapter.

12.07 STATE LAW APPLIES: Nothing contained in this chapter 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 chapter.

12.08 PREVIOUS ORDINANCES: This ordinance repeals and replaces Town of St. Germain Accommodations Tax Ordinance SG-1998, adopted March 12, 1998 and all subsequent amendments.

12.09 ENFORCEMENT:

- (A) Revocation of Permit: When any owner or lodging marketplace fails to comply with any provision of this chapter, the Town Treasurer may, upon 10 days written notification and after affording such owner or lodging marketplace the opportunity to show cause why their permit should not be revoked, revoke or suspend any or all permits held by such owner or lodging marketplace under this chapter. In the event such a permit is revoked or suspended, the Town Treasurer shall send to such owner or lodging marketplace written notice of the same. The Town Treasurer shall not issue a new permit after revocation of a permit until such owner or lodging marketplace complies with the provisions of this chapter. A fee of \$10 shall be imposed for the renewal of a permit which has been previously suspended or revoked.
- (B) Late Filing Fee: Any delinquent tax return, for which an extension of time to file has not been granted by the Town Treasurer, shall be subject to a \$20.00 late filing penalty for the first offence and a \$50.00 late filing penalty for all subsequent offences, exclusive of interest or other penalties.
- (C) Forfeitures: Pursuant with §66.0615, Wis. Stats., as a means of enforcing the collection of any room tax imposed, the Town may exchange audit or other information with the Wisconsin Department of Revenue and may do any of the following:
- (1) If the Town has probable cause to believe that the correct amount of room tax has not been assessed or that the tax return is not correct, the Town may inspect and audit the financial records of any owner or lodging marketplace

subject to this chapter to determine whether the correct amount of room tax is assessed and whether any room tax return is correct.

- (2) Assess a forfeiture not to exceed 5 percent of the room tax due.
- (3) Determine the room tax due, to the Town's best judgement, if an owner or lodging marketplace required to make a return fails, neglects or refuses to do so for the amount, in the manner and form and within the time prescribed by the Town.
- (4) Require any owner or lodging marketplace who is subject to this chapter to pay an amount of room tax that the Town determines to be due, plus interest at the rate of 1 percent per month on the unpaid balance. No refund or modification of the payment determined may be granted until the owner or lodging marketplace files a correct room tax return and permits the Town to inspect and audit his or her financial records.
- (5) Enact a schedule of forfeitures, not to exceed 25 percent of the room tax due for the previous year or \$5,000.00, whichever is less, to be imposed for failure to pay the appropriate room tax.


(D) Issuance of Citation: The Town Board Chairman shall be authorized to issue a citation pursuant to §778.25. Wis. Stats., for any violation of this Chapter.

(E) Unpaid Judgement of Taxes Due: In the event the Town initiates legal action for a violation of this Chapter and resulting judgement is unpaid for a period of 90 days, or in the event unpaid Room Tax receipts are due for a period of 90 days, the Town Treasurer may add the judgement amount or taxes due amount to the annual property tax for the affected parcel. Notice of such assessment shall be provided by the Town, in writing, to the owner or owners of the affected parcel, within 10 days of levying the assessment.

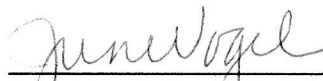
12.10 EFFECTIVE DATE: This revision supersedes St. Germain Code of Ordinances, Chapter 12 - Accommodations Tax adopted June 21, 2017 and its subsequent amendments and is effective on publication or posting as required under §60.80, Wis. stats., and is applicable to all property rentals effective January 1, 2018.

Adopted this 9th day of November 2020

Attest:



Tom Christensen, Town Chairman



June Vogel, Town Clerk