

## Cape Charles Town Council Public Hearing

The Cape Charles Town Council will hold a public hearing at 6:00 p.m. on Thursday, April 24, 2014, at the St. Charles Parish Hall located at 550 Tazewell Avenue to hear public comments on the following:

1. Proposed modifications to the Cape Charles Town Code Chapter 66, Article IV – Transient Occupancy Tax, Sections 66-55 through 66-76.

This item will be discussed and brought to a vote for adoption at the regular meeting immediately following the public hearing.

The proposed modification to the Cape Charles Town Code Chapter 66 is available for review online at [www.capecharles.org](http://www.capecharles.org), under Agendas and Minutes as well as in the Clerk's Office located at 2 Plum Street.

Libby Hume, Town Clerk

# CAPE CHARLES TOWN CODE

## PROPOSED MODIFICATIONS

### Transient Occupancy Tax – Sections 66-55 through 66-76

#### Sec. 66-55. Violations and penalties.

Any person who shall willfully violate or fail to comply with any provision of this article or who shall file a false or misleading monthly report hereunder, shall be guilty of a class 2 misdemeanor and fined an amount of not more than \$1,000.00.

#### Sec. 66-56. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Hotel* means any public or private hotel, inn, hostelry, tourist home or house, bed and breakfast, tourist camp, tourist cabin, camping grounds, motel, roominghouse or other lodging place within the town offering lodging, for compensation, to any transient.

*Lodging* means any room, lodging or space furnished to any transient.

*Transient* means any person(s) who, for any period of not more than 30 consecutive days, either at his own expense or at the expense of another, lodges or obtains lodging at any hotel, motel tourist home, or other facility.

#### Sec. 66-57. Amount of levy.

There is hereby levied and imposed on each transient a tax equivalent to three and seven-tenths percent (3.7%) of the total amount paid for lodging, by or for any such transient, to any hotel, motel, bed and breakfast, campground, and other facilities offering guest rooms rented out for continuous occupancy for 30 consecutive days or less. The revenue collected from the Transient Occupancy Tax shall be allocated for tourism-related initiatives.

#### Sec. 66-58. Exemptions.

The tax imposed by this article shall not apply to the rental of condominiums, apartments, townhouses or single-family houses which are rented for occupancy for periods exceeding 30 consecutive days.

#### Sec. 66-59. Collection.

Every person receiving any payment for lodging with respect to which a tax is levied under this article shall collect the amount of such tax so imposed from the transient on whom such tax is levied, or from the person paying for such lodging, at the time payment for such lodging is made. The taxes required to be collected under this section shall be deemed to be held in trust by the person required to collect such taxes until remitted as required in this article.

#### Sec. 66-60. Reports required.

Every person collecting any tax levied by this article shall make out a report thereof, upon such forms and setting forth such information as the town treasurer may prescribe and require, showing the amount of lodging charges collected and taxes required to be collected. Such person shall sign and deliver such report to the town treasurer with the remittance of the taxes collected. Such reports and remittances shall be remitted to the town treasurer on or before the 20th day of each month covering the amount of tax collected during the preceding month.

**Sec. 66-61. Collector's records.**

It shall be the duty of every person liable for the collection and remittance to the town of any tax imposed by this article to keep and to preserve, for a period of four years, all suitable records as may be necessary to determine the amount of tax to have been collected and remitted to the town. The town treasurer, or a designated representative, may inspect such records at all reasonable times.

**Sec. 66-62. Compensation for collection.**

For the purpose of compensating sellers for the collection of tax imposed by this article, every seller shall be allowed five percent of the amount of the tax due and accounted for in the form of a deduction on the monthly return, provided the amount due is not delinquent at the time of payment.

**Sec. 66-63. Penalty and interest for late payment.**

If any person shall fail or refuse to remit to the town treasurer the tax required to be collected and paid under this article within the time and in the amount specified, there shall be added to such tax a penalty in the amount of ten percent thereof and interest thereon at the rate of ten percent per annum, which shall be computed upon the taxes and penalty from the first day of the month next following the month in which such are due and payable.

**Sec. 66-64 Failure to collect taxes or make reports.**

If any person, whose duty it is so to do, shall fail or refuse to collect the tax imposed under this article and make timely report and remittance thereof, the town treasurer shall proceed in such manner as is practicable to obtain facts and information on which to base an estimate of the tax due. As soon as the treasurer has procured whatever facts and information which may be obtainable, upon which to base the assessment of any tax payable by any person who has failed to collect, report or remit such tax, the treasurer shall proceed to determine and assess against such person the tax, penalty and interest provided in this article and shall notify such person, by registered mail, sent to his last known address, of the total amount of such tax, penalty and interest. The total amount thereof shall be payable ten days after the date such notice is sent.

**Sec. 66-65. Northampton County**

Northampton County also collects 2% transient occupancy tax. The report and payment of Northampton County's 2% should be remitted directly to the Northampton County Commissioner of Revenue.

**Sec. 66-66. Date; effective.**

This article shall become effective on April 1, 2003, for all transient tax on that date or thereafter.

Revisions made to this article on April 24, 2014, by Ordinance #20140424, shall become effective on July 1, 2014.

**Sec. 66-67—66-76. Reserved.**