

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF PRIMGHAR, IOWA, BY ADDING A NEW CHAPTER TO TITLE V: BUSINESS, OCCUPATIONS, AND BUILDING REGULATIONS, CHAPTER 5: HOTEL AND MOTEL TAX

WHEREAS, in 2018 the Primghar City Council requested the O'Brien County Commissioner of Elections to place on the November 6, 2018 Ballot, A Question of Imposing a Local Hotel and Motel Tax in the City of Primghar, Iowa, at a Rate of seven percent (7%)

WHEREAS, such a Special Election was conducted; and ballot was passed.

WHEREAS, the increase in the tax to seven percent was approved by the voters; and

WHEREAS, certain provisions of the Primghar Code should now be amended in conformity with the results of this Election.

NOW, THEREFORE, BE IT ORDAINED by the Primghar Council as follows:

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF PRIMGHAR, IOWA.

SECTION I. ENACTMENT. The City Code of the City of Primghar, Title V: Business, Occupations, and Building Regulations is amended as shown follows:

TITLE V – BUSINESS, OCCUPATIONS, AND BUILDING REGULATIONS

CHAPTER 5: HOTEL AND MOTEL TAX

ARTICLE 1:
GENERAL PROVISIONS

5.01 TAX IMPOSED. There is imposed a Seven percent (7%) hotel and motel tax upon the sales price from the renting of any and all sleeping rooms, apartments or sleeping quarters in a hotel, motel, inn, public lodging house, rooming house, manufactured or mobile home which is tangible personal property, or tourist court or in any place where sleeping accommodations are furnished to transient guests for rent, whether with or without meals, except the sales price from the renting of sleeping rooms in dormitories and memorial unions at all universities and colleges located in the State and the guests of a religious institution if the property is exempt under Iowa Code Section 427.1, subsection

8, and the purpose of renting is to provide for a religious retreat or function and not a place for transient guests generally.

(Code of Iowa, Sec. 423A.1)

5.02 DEFINITIONS. “Renting” and “rent,” as used in this chapter, include any kind of direct or indirect charge for the use of sleeping rooms, apartments or sleeping quarters. However, the tax imposed in this chapter does not apply to the sales price from the renting of a sleeping room, apartment or sleeping quarters while rented by the same person for a period of more than thirty-one (31) consecutive days.

(Code of Iowa, Sec. 423A.1)

5.03 EFFECTIVE DATE OF TAX. The hotel and motel tax as set forth in this chapter shall be imposed on all gross rent receipts received after January 1, 2019.

5.04 COLLECTION. The tax imposed in this chapter shall be remitted by the person or company liable for same to the State Director of Revenue in the manner required by State law.

(Code of Iowa, Sec. 423A.1)

5.05 RESTRICTIONS ON USE OF REVENUES. The revenue derived from the tax imposed by this chapter shall be accounted for as follows:

1. All revenue received by the City from the imposition of the hotel and motel tax shall be deposited in the General Fund of the City.
2. At least fifty percent (50%) of the revenue derived from the hotel and motel tax shall be spent for the acquisition of sites for, or constructing, improving, enlarging, equipping, repairing, operating or maintaining recreational, convention, cultural or entertainment facilities, including, but not limited to, memorial buildings, halls and monuments, civic centers, convention buildings, auditoriums, coliseums and parking areas or facilities located at those recreational, convention, cultural or entertainment facilities, or the payment of principal and interest on bonds or other evidence of indebtedness issued by the City for those recreational, convention, cultural or entertainment facilities, or for the promotion and encouragement of tourist and convention business in the City and surrounding areas.
3. The remaining revenues may be spent by the City for any lawful purpose for which revenues derived from ad valorem taxes may be expended.

SECTION II. REPEALER. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION III. SEVERABILITY CLAUSE. If any section, provisions or parts of this Ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the Ordinance as a whole or any action, provision or part thereof not adjudged invalid or unconstitutional.

SECTION IV. WHEN EFFECTIVE. This Ordinance shall be in effect after its final passage, approval and publication as provided by law.

Kurt Edwards
Mayor, City of Primghar

Attest:
Carol Chicoine Primghar City Clerk