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ARTICLE I. IN GENERAL

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ARTICLE II. PROPERTY TAX

DIVISION 1. GENERALLY

Sec. 58-31. Penalty to defray costs of collecting delinquent property taxes.

(a) Whenever any accounts for delinquent property taxes owed to the city are given to its tax attorney for collection, on or after July 1 of the year they become delinquent, the city shall be entitled to and shall collect an additional penalty of 15 percent of the delinquent property tax at the time of collection, either before or after suit and/or foreclosure sale, as provided by V.T.C.A., Tax Code § 33.07.

(b) In addition to the collection expenses provided for in subsection (a ) of this section, whenever a delinquent tax suit is filed, the city shall be entitled to recover reasonable expenses, subject to the approval of the court, that are incurred by the city in determining the name, identity and location of necessary parties and in procuring necessary legal descriptions of the property on which a delinquent tax is due, as provided by V.T.C.A., Tax Code § 33.48(a)(3).

 Code 1987 §13.3

Secs. 58-32 – 58-50. Reserved.

DIVISION 2. EXEMPTION

Sec. 58-51. Persons 65 or over; granted; exception.

The city council exempts $10,000.00 of the assessed value of residence homesteads as defined by law of persons who have attained the age of 65 years on or before January 1 of the year for which the exemption is claimed from city ad valorem taxes.

Secs. 58-52 – 58-80. Reserved.

ARTICLE III. SALES AND USE TAX

Sec. 58-81. Adoption of sales tax.

The majority of the qualified voters of the city having voted for the adoption of the one percent local sales and use tax, the tax is imposed in the city.

Code 1987 §13.20

Sec. 58-82. Residential use of electricity and gas.

The sales and use tax levied by the city council is continued on the residential use of gas and electricity which is not exempt in the city.

Sec. 58-83. Telecommunications.

The sales and use tax levied by the city council is continued on telecommunication service which is not exempt in the city.

Sec. 58.83 – 58.100 Reserved

Article IV HOTEL OCCUPANCY TAX

Sec. 58.101 Definitions

The following words, terms and phrases are defined as follows:

1. Hotel: Any building or buildings in which the public may for a consideration, obtain sleeping accommodations, including hotels, motels, tourist homes, houses or courts, lodging, houses, inns, rooming houses, bed & breakfasts, or other buildings where rooms are furnished for a consideration, but not including hospitals, sanitariums or nursing homes.
2. Consideration: The cost of the room in a hotel only if the room is ordinarily used for sleeping and not including the cost of any food served or personal services rendered to the occupant of such room not related to the cleaning and preparation of such room for occupancy.
3. Occupancy: The use or possession, or the right to the use or possession of any room or rooms in a hotel if the room is one which is ordinarily used for sleeping and if the occupant is other than a permanent resident as hereinafter defined.
4. Occupant: Anyone who, for a consideration, use, possesses, or has a right to use or possess any room in a hotel under any lease, concession, permit, right of access, license, contract or agreement, other than a permanent resident as hereinafter defined.
5. Person: Any individual, company, corporation or association owning operating, managing or controlling any hotel
6. Tax assessor-collector: The City Secretary of the City of East Tawakoni Texas
7. Quarterly period: The regular calendar quarters of the year, the first quarter being composed of the months of January, February, March; the second quarter being the months of April, May and June: the third quarter being the months of July, August and September: and the fourth quarter being the months of October, November and December.
8. Permanent resident: Any occupant who has or shall have the right of occupancy of any room or rooms in a hotel for at least thirty (30 ) consecutive days during the calendar year or preceding year

Sec. 58.102 Tax Levied : Amount: Exemptions

There is hereby levied a tax of seven percent (7%) of the price paid for a room in a hotel on every person who, under a lease, concession, permit, right of access, license, contract, or agreement, pays for the use or possession of, or for the right to the use or possession of a room that is in a hotel, costs, $2.00 or more each day, and is ordinarily used for sleeping, The price of a room in a hotel does not include the cost of food served by the hotel and the cost of personal services performed by the hotel for the person except those services related to cleaning and preparation of the room for possession.

Exceptions are as follows:

1. No tax shall be imposed upon a permanent resident.
2. No tax shall be imposed for federal or state employees traveling on official business
3. No tax shall be imposed for diplomatic personnel who present a Tax Exemption card issued by the United States Department of State.
4. No tax shall be imposed for federal or state military personnel traveling on official military business. This exception does not cover military staff on leave or between stations.

Sec.58.103 Collection of Tax

1. Every person owning, operating, managing or controlling any hotel or collecting payment for occupancy within the corporate limits of the city of East Tawakoni, Texas, and the extra territorial jurisdiction of said city, shall collect the tax levied by this ordinance for the City of East Tawakoni, Texas.
2. The hotel operator shall be entitled to one percent (1%) of the hotel occupancy tax revenue collected as reimbursement for the operator’s administrative costs for collecting the tax. However, as provided in Section sex (6) – Penalties, this reimbursement may be forfeited at the discretion of the city if the hotel operator fails to timely pay over the tax or fails to timely file a report as required by the city or if the operator files a false report with the city. A report must be filed for each quarter as set forth even if the report indicates no receipts were collected for the period.
3. If a person who is liable for the payment of a tax under this article is the manager/owner of a lodging facility and sells the property, the successor to the seller or the seller’s assignee shall withhold an amount of the purchase price sufficient to pay the amount of tax due until the seller provides a receipt issued by the tax collector showing that the amount has been paid or a certificate issued by the tax

Sec.58.104. Quarterly Reports to Tax Assessor Collector

On the last day of the month following each quarterly period (beginning the last day of April, 2010) every person required to collect the tax imposed hereby shall file a report with the assessor – collector of taxes showing the price paid for all room occupancies in the preceding quarter, the amount of the tax collected on such occupancies, and other information the assessor- collector may reasonably require. Such person shall pay the tax due on such occupancies at the time of filing such report. The report shall be in a form prescribed by the assessor collector. The assessor collector is hereby authorized and directed to do all such things necessary or convenient to carry out the terms of this ordinance. The assessor collector shall have the authority to request and receive within reasonable time documentation for information contained in the report to the bity by the hotel.

Sec 58.105 Rules and regulations of Tax Assessor- Collector: Access to Books and Records

The assessor- collector shall have the power to make such rules and regulations as are reasonable an necessary to effectively collect the tax levied hereby, and shall upon reasonable notice have access to books and records necessary to enable him to determine the correctness’ of any report filed as required by this ordinance, and the amount of taxes due under the provisions of this article.

Sec 58.106- Penalties

If any person shall fail to file a report as required herein or shall file a false report or shall fail to pay to the tax assessor- collector the tax as imposed when said report or payment is due, he shall forfeit the one percent (1%) discount of the amount due as penalty, and after the first thirty (30) days after due date, he shall pay an additional five percent (5 %)

Penalty of such tax. Should ax not be paid withing sixty (60) days, an additional five percent (5%) penalty shall be incurred (for a total of ten percent (10 %) penalty.) However, such penalty shall never be less than one and No/1. Dollar ($1.00) Taxes past due for more than sixty days (60) shall be considered delinquent. Delinquent taxes shall draw interest at the rate of twelve percent (12 %) per annum on total tax plus penalty beginning sixty-one (61) days from the due date.

Any person violating any of the prevision of this article. including hotel operators who fail to collect their tax payment , fail to file a return, file a false return, or who are delinquent in their tax payment , may be found guilty of a misdemeanor and shall upon conviction, be fined in any sum not exceed Five Hundred and No/ 100 Dollars ( $500.00) and each twenty – four ( 24 ) hours of any such violation shall constitute a separate offense.

Sec 58.107- additional Penalties

The City is hereby authorized to take the following actions against any person required to collect the tax imposed hereby and pay the collection over to the city and who has failed to file a report, or filed a false report, or failed to pay the tax when due.

1. Bring suit against the hotel for noncompliance, and/ or
2. Bring suit against the hotel seeking any other remedies provided under Texas Law.

Sec 58.108. Additional Authorization to Bring Suit

The City attorney is hereby authorized to bring suit against any person required to collect the tax imposed hereby and required to pay the collection over to the City and who has failed to file a report, or filed a false report, or failed to pay tax when due. Suh suit may seek to collect sums not paid or to enjoin such person from operating a hotel in the city until the tax is paid or the report is filed or both, as applicable an as provided in the injunction

Sec 58.109. Use of Revenue Derived from Levy of Hotel Occupancy Tax

The revenue derived from any hotel occupancy tax imposed and levied by this ordinance may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:

1. The acquisition of sites for and the construction, improvement, enlarging equipping, repairing, operation, and maintenance of convention center facilities (as such defined in V.A.T.S. Tax Code section 351.001)
2. The furnishing of facilities personnel and materials for the registration of convention delegates or registrants:
3. Advertising and conducting solicitations and promotional programs to attract tourist and convention delegates or registrants to the municipality or its vicinity;
4. The encouragement, promotion, improvement, and application of the arts including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design, and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation performance, execution and exhibition of these major art forms; and
5. Historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourist and convention delegates to visit preserved historic sites or museums;
6. Which are at or in the immediate vicinity of convention center facilities; or
7. Which are located elsewhere in the municipality or its vicinity that would be frequented by tourist, convention delegates, or other visitors to the municipality

Revenue derived from the hotel occupancy tax shall be expended only in a manner which directly enhances and promotes tourism and the convention and hotel industry as hereinbefore delineated. Such revenue shall not be used for the general revenue purposes or general governmental operations of the municipality which are not directly related to promoting the hotel and convention industry or tourism in the municipality.

The entity must maintain the revenue provided by the municipality from the tax in a separate account established for that purpose and may not commingle that revenue with any other money or maintain it in any other account.

The Municipality may not delegate to any person or entity the management or supervision of its convention and visitors’ programs and activities funded with revenue from the hotel occupancy tax other than by contract as provided herein.

The approval of the City Council of the annual budget of the entity to with these functions are delegated creates a fiduciary duty in the person or entity with respect to the revenue provided by the municipality to the person or entity under the contract.

A person or entity with whom the municipality authorizes to conduct authorize activities shall maintain complete and accurate financial records of each expenditure of hotel occupancy tax revenue made by the person or entity and, on request of the city Council or other person, shall make the records available for inspection and review.

Hotel occupancy tax revenue may be spent for day-to-day operation, supplies salaries, office rental, travel expenses, and other administrative costs only if those administrative costs are incurred directly in the promotion and servicing of expenditures hereinbefore authorized. The portion of the total administrative costs for activities for which hotel occupancy tax revenue may be used may not exceed the administrative costs actually incurred in conducting the authorized activities.

Hotel occupancy tax revenue may not be spent for travel for a person to attend an event or conduct an activity the primary purpose of which is not directly related to the promotion of the person’s job in an efficient and professional manner.

Sec 58.111 Effective Date

The hotel occupancy tax authorized herein shall become effective commencing on the first day of January, 2010 following the date which this ordinance or an amended form thereof, has been adopted and enacted by the City of East Tawakoni, Texas.

Section 58.112 Severability

In the event that anyone or ore of the provisions, clauses, or words of this ordinance or the application thereof to any situation or circumstance shall for any reason he held to be invalid or unconstitutional , such invalidity or unconstitutionality shall not affect any other provisions, clauses or words of this ordinance or the application thereof to any other situations or circumstance and it is intended that this is intended that this ordinance shall be severable and that it shall be construed and applied as if such invalid or unconstitutional clause, section provisions or work had not been included herein

Adopted 1-1-2010