



Legislation Text

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Fiscal Note

This increase in the local Room Tax rate is expected to generate approximately \$900,000 of additional tax each year, beginning in 2007. The 2007 Operating Budget, as proposed by the Board of Estimates, anticipates this additional revenue.

Title

Amending Sections 4.21(2) and (7) of the Madison General Ordinances to increase the room tax rate and to clarify language by inserting an inadvertently omitted word.

Body

DRAFTER'S ANALYSIS: This ordinance increases the current room tax rate from 8% to 9%. It also makes a technical correction, by inserting an advertently omitted word, to Subsection (7).

The Common Council of the City of Madison do hereby ordain as follows:

1. Subsection (2) of Section 4.21 entitled "Room Tax" of the Madison General Ordinances is amended to read as follows:

"(2) Pursuant to Wisconsin Statutes, Section 66.0615, a tax is hereby imposed on the privilege and service of furnishing, at retail, except sales for resale, rooms or lodging to transients by hotelkeepers, motel operators and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for the use of the accommodations. Beginning January 1, ~~1996~~ 2007, such tax shall be at the rate of ~~eight~~ nine percent (~~8%~~) (9%) of the gross receipts from such retail furnishing of rooms or lodgings. The proceeds thereof shall be subject to annual appropriation by the Common Council. Such tax shall not be subject to the selective sales tax imposed by Wis. Stats. Section 77.52(2)(a)1. and may not be imposed on sales to the federal government and persons listed under Sec. 77.54(9a), Wis. Stats."

2. Subsection (7) of Section 4.21 entitled "Room Tax" of the Madison General Ordinances is amended to read as follows:

"(7) If any person liable for any amount of tax under this section sells out his business or stock of goods or quits the business, his successors or assigns shall withhold a sufficient amount of the purchase price to cover such amount until the former owner produces a receipt from the City Treasurer that it has been paid or a certificate stating that no amount is due. If a person subject to the tax imposed by this section fails to withhold such amount of tax from the purchase price as required, he shall become personally liable for payment of the amount required to be withheld by him to the extent of the price of the accommodations valued in money."