

**SAGINAW COUNTY
ORDINANCE #103
ACCOMMODATIONS ORDINANCE**

Adopted 6/15/76 (eff. 1/1/77)

Amended 4/16/85 (eff. 7/1/85)

Amended 6/19/90 – Section 2.6

Amended 10/17/00 – Sections 3a and 10 (eff. 1/1/01)

Amended 5/22/01 – Section 3a – (eff. 10/1/01)

Amended 1/18/11 – Section 3a – (eff. 7/26/11)

AN ORDINANCE PROVIDING FOR THE ASSESSMENT AND COLLECTION OF AN EXCISE TAX ON PERSONS ENGAGED IN THE BUSINESS OF PROVIDING ROOMS FOR DWELLING, LODGING OR SLEEPING PURPOSES TO TRANSIENT GUESTS. THE PURPOSE OF THIS ORDINANCE IS TO: REQUIRE REPORTS; PROVIDE FOR TAX CREDITS; PROVIDE FOR THE POWERS AND DUTIES OF THE COUNTY TREASURER; PROVIDE POWER TO CONTRACT FOR FUND ADMINISTRATION; PROVIDE PENALTIES; PROVIDE FOR ABATEMENTS AND REFUNDS; AND PROVIDE FOR DISPOSITION OF REVENUES.

SECTION ONE

Purpose

In the interest of the citizens of Saginaw County, and for the benefit of the general public, and with the purpose of providing to the public and to the citizens convention and entertainment facilities as described in Act 263, Public Acts of Michigan, 1974, as amended; and to establish as Administrator for the administration and enforcement of this Act, the County of Saginaw, Michigan does hereby adopt the following ordinance under Act 156 of the Public Acts of Michigan, 1851, as amended (MSA 5.331).

SECTION TWO

Definitions

- (a) "Accommodations" means the room or other space provided for sleeping, including furnishings and other accessories. It does not include food and beverages.
- (b) "County Treasurer" means the elected county treasurer or his duly authorized representative.
- (c) "Convention and entertainment facilities" means all or any part, or any combination of convention halls, or auditoriums, stadiums, music hall, arenas, meeting rooms, exhibit areas and related public areas.
- (d) "Person" means a natural person, partnership, fiduciary, association, corporation or other entity.
- (e) "Revenues" means the income derived from the excise tax levied under this Ordinance, plus interest and penalties imposed by this Ordinance.

- (f) "Transient guest" means a natural person staying less than 30 consecutive days.
- (g) "Quarter" means a three calendar month period; the first commencing January 1 of each year.

SECTION THREE

Levy of Tax; Collections; Rate; Exceptions; Credits

- (a) There is levied upon and shall be collected from all persons engaged in the business of providing rooms for dwelling, lodging or sleeping purposes to transient guests, whether or not membership is required for the use of the accommodations, an excise tax equal to 5% of the total charge for accommodations. Effective September 1, 2011, this 5% shall be used solely for the maintenance and operation of Convention & Visitors Bureau programs and to fulfill requirements of 2010 Public Act 254, the Regional Convention and Tourism Promotion Act establishing the Great Lakes Bay Regional Convention & Visitors Bureau.
- (b) No tax shall be imposed upon hospitals or nursing homes, or upon a corporation or association organized and operated exclusively for religious, charitable or educational purpose, in which no part of the net earnings inures to the benefit of any private shareholder or individual.
- (c) All persons subject to this tax may receive a tax credit of 100% of the tax the person collected up to a maximum of \$750 per quarter for all funds expended for hotel, motel promotions, advertising or for promotion and encouragement of tourists and convention business in the County of Saginaw.
- (d) In order to receive the tax credit set forth in Section 3(c), the person shall file, along with the quarterly report required by Section 5(a), an affidavit setting forth the amount expended and what the funds were expended for along with such substantiating documents and details as the County Treasurer may reasonably require.

SECTION FOUR

Collections

All persons who are engaged in the business of providing rooms for dwelling, lodging or sleeping purposes to transient guests shall collect the tax imposed in Section 3 for the County of Saginaw.

SECTION FIVE

Reports; Remittances; Interest; Tax Returns

- (a) On or before the 30th day following each quarter, every person required in Section 4 to collect the tax shall file a report for the preceding quarter with the County Treasurer showing the total amount of consideration paid for all accommodations in the preceding quarter, the amount of the tax collected on such accommodations and any other information that the County Treasurer may reasonably require. Such person shall pay the tax due on such accommodations at the time of filing his report with the County Treasurer. All remittances of taxes imposed by this Ordinance shall be to the County Treasurer by bank draft, check, cashier's check,

money order, certificate of deposit or money. The County Treasurer shall issue his receipt, and shall deposit all monies received in a special fund of the County; provided, however, that no remittance other than cash shall be a final discharge of liability for the assessed and levied tax unless and until it has been paid in cash.

- (b) Interest at the rate of 1% per month, or a fraction thereof, shall be imposed on the unpaid tax after the due date until paid. Such interest shall continue at the rate of 1% per month, or fraction thereof, until paid. Any and all interest added shall be collected as a part of the tax.
- (c) Every person subject to the operation of this Ordinance shall annually file with the County Treasurer a copy of any and all Sales Tax Returns required by the State of Michigan within 30 days after filing same with the State.

SECTION SIX

Powers and Duties of County Treasurer; Rules and Regulations; Collection Expenses

The County Treasurer shall collect the tax imposed in Section 3 and shall administer and enforce this Ordinance. The County Treasurer shall have the power to make such rules and regulations subject to the approval of the Board of Commissioners as are necessary to effectively collect the tax 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 Ordinance. The County Treasurer shall furnish forms, instructions, manuals and other materials necessary for endorsement of the tax and the auditing of tax returns to each taxpayer. The County shall receive actual and reasonable costs from all proceeds collected under this Ordinance for collection expenses incurred by the County Treasurer's office plus all interest and penalty fees.

SECTION SEVEN

Penalties

Any person who violates any provisions of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined an amount not to exceed \$500, imprisonment in the County Jail for a period not to exceed 90 days, or by both such fine and imprisonment. In addition, any person who fails to remit the tax or violates the reporting provision imposed by this Ordinance within the time required shall forfeit the additional 5% of the amount of the unpaid tax per month or fraction thereof after the due date thereof until paid; provided, however, the penalty shall not exceed 25% of the unpaid tax.

SECTION EIGHT

Abatements and Refunds

If a return or remittance is filed after the due date set forth in Section 5, and it is shown that the failure to file it was due to reasonable cause and not due to willful neglect as determined by the County Treasurer, the penalty and interest prescribed in Section 8 shall not apply; provided, however, the County Treasurer shall at no time have the power or authority to cancel or diminish any part of the tax imposed under this Ordinance unless the tax was inadvertently collected from a person meeting the requirements in Section 3(b) or a court of competent jurisdiction orders such.

SECTION NINE
Other Taxes Notwithstanding

The taxes levied under this Ordinance shall be in addition to any other taxes, charges or fees.

SECTION TEN
Disposition of Revenues

The revenues derived from the taxes imposed pursuant to this Act shall be deposited by the County Treasurer in a Revenue Receiving Fund to be used by the County for the purpose of one or more of the following:

- (a) To pay the cost of administrative and enforcement of this Ordinance. To pay such cost, the County shall receive from all proceeds collected under this Ordinance such amount as shall be determined from time to time by the Board of Commissioners for collection expenses incurred by the Administrator.
- (b) The promotion and encouragement of tourist and convention business in the County.
- (c) The financing of the acquisition, construction, improvement, enlargement, repair, or maintenance of convention and entertainment facilities, as allowed by law.

SECTION ELEVEN
Investment of Funds

Monies in the Revenue Receiving Fund may be invested by the County Treasurer in bonds, notes, bills and certificates of the United States of America. In the event such deposits are made, the security representing the same shall be kept on deposit with the depository of the fund from which such investments are made, and such securities and the income from the securities shall become a part of the Revenue Receiving Fund.

SECTION TWELVE
Severability

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is, for any reason, held 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 portions.

End