

## Exhibit A

### Chapter 3.04 - TRANSIENT ROOM TAX

#### Sections: 3.04.010 - Definitions.

Except where the context otherwise requires, the definitions given in this section govern the construction of this chapter:

"Hotel" means any structure or any portion of any structure which is occupied or intended or designed for transient occupancy for thirty days or less for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home, condominium, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, floating home, public or private club, space in mobile home or trailer parks or similar structure or portions thereof so occupied.

"Occupancy" means the use or possession or the right to the use or possession for lodging or sleeping purposes of any room or rooms in a hotel, ~~or space in a mobile home or trailer park or portion thereof.~~

"~~Hotel o~~Operator" means the person who is proprietor of a hotel in any capacity. Where the hotel operator performs his functions through a managing agent of any type or character other than an employee, the managing agent shall also be deemed an hotel operator for the purpose of this chapter and shall have the same duties and liabilities as his principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall be considered to be compliance by both.

"Hotel intermediary" means a person other than a hotel operator that facilitates the retail sale of, and charges for, occupancy of a hotel.

"Hotel tax collector" means a hotel operator or hotel intermediary.

"Person" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, fraternity, sorority, public or private dormitory, joint stock company, corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as unit.

"Tax" means either the tax payable by the transient or the aggregate amount of taxes due from an ~~operator~~ hotel tax collector during the period for which he is required to report his collections.

"Transient" means any individual who exercises occupancy or is entitled to occupancy in a hotel for a period of thirty consecutive calendar days or less, counting portions of calendar days as full days. The day a transient checks out of the hotel shall not be included in determining the thirty-day period if the transient is not charged rent for that day by the ~~operator~~ hotel tax collector. Any such individual so occupying space in a hotel shall be deemed to be a transient until the period of thirty days has expired unless there is an agreement in writing between the ~~operator~~ hotel tax collector and the occupant providing for a longer period of occupancy, or the tenancy actually extends more than thirty consecutive days. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of the ordinance codified in this chapter may be considered. A person who pays for lodging on a monthly basis, irrespective of the number of days in such month, shall not be deemed a transient.

#### 3.04.020 - Tax—Imposed.

For the privilege of occupancy in any hotel, each transient shall pay a tax in the amount of ~~four~~ six percent of the rent charged by the ~~operator~~ hotel tax collector. The tax constitutes a debt owed by the transient to the city which is extinguished only by payment to the ~~operator~~ hotel tax collector. The transient shall pay the tax to the ~~operator of the hotel~~ hotel tax collector at the time the rent is collected. The ~~operator~~ hotel tax collector shall enter the tax when rent is collected if the ~~operator~~ hotel tax collector keeps records on the cash accounting basis and when earned if the ~~operator~~ hotel tax collector keeps

records on the accrual accounting basis. If rent is paid in installments, a proportionate share of the tax shall be paid by the transient to the ~~operator~~ hotel tax collector with each installment. Rents payable by governmental agencies shall be exempt from tax.

#### 3.04.030 - Tax—Collection.

Every ~~operator~~ hotel tax collector renting rooms shall collect the tax from the occupant and the tax collected or accrued shall constitute a debt owing to the city. If the ~~operator~~ hotel tax collector has complied with the terms of this chapter and particularly the provisions of this section relating to prompt payment of taxes due and payable, he shall be permitted to deduct as a personal collection expense five percent of the amount of the taxes collected.

#### 3.04.040 - Tax—Payment.

All net taxes collected are due and payable to the city on a monthly basis of the fifteenth day of the month for the preceding month. Any delinquency in payment shall be subject to a penalty of ten percent of the amount due together with interest on the amount due at one percent per month with proration for fractions of a month.

#### 3.04.050 - Tax—Disposition.

~~All~~ At least 90% of transient room taxes collected by the city shall be accounted for separately and devoted to the promotion of tourism to fund tourism promotion or tourism-related facilities. No more than 10% shall be accounted for to fund general City services.

#### 3.04.060 - Records.

The ~~operator~~ hotel tax collector shall keep records separately, itemizing the tax accrued or collected, which records shall be available for inspection by the city at all reasonable times.

#### 3.04.070 - Violation—Penalties.

Failure to remit taxes when due shall be grounds for revocation of the ~~operator's~~ hotel tax collector's city business license and shall subject the ~~operator~~ hotel tax collector to the general penalties for violation of city ordinances. That penalty shall be subject to the code enforcement procedures of Chapters 1.16, 1.20 or 1.24.