

Town of Townsend  
County of Oconto  
State of Wisconsin  
Room Tax Ordinance # 05-2023

Whereas, Section 66.0615 of Wisconsin Statutes provides for the imposition of a Room Tax; and

Whereas, it is deemed to be in the best interested of the Town of Townsend to implement a Room Tax for tourism promotion and development in the Town of Townsend and

Whereas, the geographic area encompassing the Towns of Brazeau, Doty, Lakewood, Mountain, Riverview and Townsend, (including any additional municipality in the same geographic area that may become a party to the Room Tax Commission and Tourism Zone Agreement described herein, collectively, the "Municipalities"), is hereby confirmed to be a single destination as perceived by the traveling public, and, therefore, a "tourism zone", as that term is used in Section 66.0615 of Wisconsin Statutes (the "Room Tax Act"), which single destination is referred to as the "Oconto County Tourism Zone".

Now, therefore, the Townsend Town Board does hereby enact the following ordinance:

Section 1. – Definitions. In addition to the terms defined in this Section, the terms used in this Ordinance shall have definitions, in any, set forth in the Room Tax Act (as defined below).

- (A) "Hotel, Motel and Short-term Rentals" shall mean a building or group of buildings in which the public may obtain accommodations for consideration, including without limitation, such as inns, motels, tourist homes, apartment hotels, resort lodges, and cabins and any other building or group of buildings in which accommodations are available to the public, except accommodations rented for continuous period of more than 30 days and accommodations furnished by any hospital, sanatorium or nursing home, or by corporations or associations organized and operated exclusively for religious, charitable or educational purposes, provided that no part of the net earnings of such corporations and associations inures to the benefit of any private shareholder or individual.
- (B) "Gross Receipts" shall mean the total revenue received from the retail furnishing of rooms, lodging or similar accommodations by a Hotel, Motel or Short-term Rental, and defined herein calculated prior to the payment, imposition, or expense of any cost, including but not limited to, rental commissions.
- (C) "OCEDC" shall mean the Oconto County Economic Development Corporation, a Wisconsin nonstock corporation, and its successors.
- (D) "Oconto County Tourism Zone" shall mean the geographic area encompassing the Towns of Brazeau, Doty, Lakewood, Mountain, Riverview and Townsend and that may in the future include any municipality that hereafter becomes a party to the Room Tax Commission and Tourism Zone Agreement.
- (E) "Operators" shall mean hotelkeepers, motel operators, lodging marketplaces, owners of short-term rentals, and other persons furnishing accommodations that are available to the public, which are located in the Town of Townsend to pay Room Tax under this Ordinance.
- (F) "Quarterly Payment Date" shall mean each January 31, April 30, July 31, and October 31, each of which is the last day of the month next succeeding the end of a calendar quarter.
- (G) "Rental Agents" shall mean any person(s) or businesses who is not the lodging owner but who is collecting payments for the rental of facilities as described above, for one or more lodging owners or businesses covered under this ordinance.
- (H) "Room Tax" shall mean a tax on the privilege of furnishing, at retail, except sales for resales, rooms or lodging to transients by the Operators, pursuant to the Room Tax Act.
- (I) "Room Tax Act" shall mean Section 66.0615 of the Wisconsin Statutes, as amended from time to time.

- (J) "Room Tax Commission" shall mean the Oconto County Room Tax Commission created by the Municipalities within the Oconto County Tourism Zone pursuant to the Room Tax Commission and Tourism Zone Agreement in order to coordinate tourism promotion and tourism development within the Oconto County Room Tourism Zone.
- (K) "Room Tax Commission and Tourism Zone Agreement" shall mean the Room Tax Commission and Tourism Zone Agreement, dated as of [enter date here] entered into by and among the Municipalities and the Room Tax Commission, as amended from time to time.
- (L) "Room Tax Permit" shall mean a permit issued by [MUNICIPALITY NAME] annually to owners of Hotels, Motels, or other as defined in Section 1 of this Ordinance.
- (M) "Transient" shall mean any person residing for a continuous period of less than 30 days in a hotel, motel or other furnished accommodations available to the public.

Section 2. – Imposition of Tax.

- (A) Pursuant to §66.0615, Wis. Stats., a tax of five percent (5%) is hereby imposed on the privilege and service of furnishing, at retail, except sales for resale, rooms or lodging to transients by the Operators. Operators shall remit all Room Taxes to the Town Treasurer in accordance with the requirements of this Ordinance and the Room Tax Act. Such Room Tax shall not be subject to the selective sales tax imposed by Wis. Stats., Section 77.52(2)(a)(1), sales to the Federal Government, sales for resale or persons listed under Wis. Stats. 77.54(9a).
- (B) The revenue collected from the Room Tax shall be allocated as follows:
  - a. Thirty percent (30%) shall remain with the [MUNICIPALITY NAME], said funds shall be used as the town sees fit.
  - b. Seventy percent (70%) shall be remitted to Tourism Entity (OCEDC), or its successor, to provide staff, support services and assistance for the Oconto County Tourism Zone.

Section 3. – Collection and Administration.

- (A) This section shall be administered by the Town Clerk. The tax imposed is due and payable within 30 days of the end of each quarter. A return shall be filed with the Town Clerk by those furnishing at retail such rooms, lodging or sites within the Town on or before the same date on which such tax is due and payable upon a form approved by the Town. Every person required to file such quarterly returns shall file an annual calendar year return. Such annual return shall be filed within 30 days of the close of each calendar year.
- (B) The annual return shall summarize the quarterly returns, reconcile and adjust for errors in the monthly returns and shall contain certain additional information as the Town Clerk requires. The Town Clerk may, for good cause, extend the time for filing any return, but in no event longer than 30 days from the filing date.
- (C) Whenever the Town has probable cause to believe that the correct amount of Room Tax has not been assessed or that the return is not correct, the Town shall inspect and audit the financial records of any person subject to the Room Tax to determine whether or not the correct amount of Room Tax is assessed and whether or not any Room Tax return is correct.
- (D) Any person who is subject to the tax imposed by this section who fails or refuses to permit the inspection of financial records by the Town Clerk after such inspection has been requested by the Town Clerk shall be subject to a forfeiture not to exceed five percent (5%) of the tax the Town determines to be due.

Section 4. – Tourism Entity. OCEDC shall act as the "Tourism Entity," as that term is defined in the Room Tax Act, for purposes of providing staff, support and assistance to the Oconto County Room Tax Commission in developing and implementing programs to promote the Oconto County Tourism Zone to visitors, as more fully set forth in an agreement between the Oconto County Room Tax Commission and OCEDC.

Section 5. – Liability for Room Tax on Sale or Transfer of Business. If any Operator sells or transfers all or substantially all of its interest in its hotel, motel or other lodging accommodation, its successors or assigns shall withhold sufficient amounts from the purchase price to pay any amount of Room Tax liability due through the sale or transfer date until the Operator produces a receipt from the Town's Treasurer that its liability has been paid in

full or a certificate stating that no Room Tax amount is due. If a successor Operator fails to withhold such amount from the purchase price as required, such successor Operator shall be become liable for payment of the Room Tax amount it is required to withhold.

Section 6. – Schedule of Forfeitures. In addition to paying the Room Taxes due hereunder, any Operator that has failed to pay any Room Tax when due shall be required to pay a forfeiture in an amount to 25 percent of the Room Tax due from the Operator to the Town for the previous year and unpaid, or \$5,000.00, whichever is less, for failure to pay the Room Tax due hereunder.

Section 7. – Required Records. Every person liable for the tax imposed by this section shall keep or cause to be kept such records, receipts, invoices and other pertinent papers in such form as the Town Clerk requires.

Section 8. – Confidentiality of Information. To the extent permitted under the law, the information provided to the Town under Wis. Stats. § 66.0615(2) shall remain confidential; provided, however, that the Town or any employee thereof may use such information in the discharge of duties imposed by law or of the duties of their office or by order of a court. Persons violating the provisions of this subsection may be required to forfeit not less than \$100.00 nor more than \$500.00.

Section 9. – Enforcement. The Town shall enforce this article in accordance with the Room Tax Act and the Town's Short-Term Rental Ordinance 04-2023

Section 10. – Severability. The provisions of this Ordinance shall be deemed severable, if any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be 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 portion of this Ordinance.

Section 11. Effective Date. This Ordinance shall take effect on January 1, 2024 and as publication as required under § 60.80, Wis. Stats.

Dated this 10th day of October, 2023

Motion by Evans, Seconded by DeMoulin, Motion Approved Y-3

Town Board

Monica M. Zeller

Chairperson

[Signature]

Supervisor

[Signature]

Supervisor

[Signature]

Clerk

Published 10/11/2023