

CHAPTER 11

HOTEL AND MOTEL TAX

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11.01 DEFINITIONS. For the purpose of this chapter, the following terms have or include the following meanings:

1. “Hotel” or “motel” means any hotel, motel, inn, public lodging house, rooming house, tourist court, trailer court or other such place or establishment located in the City where sleeping accommodations are furnished to transient guests for rent, whether with or without meals.
2. “Renting” or “rent” includes the making or receiving of any kind of direct or indirect charges for the use of any room, apartment or sleeping quarter in a hotel or motel.
3. “Gross receipts” means all of the moneys received by a hotel or motel for the renting of its rooms, apartments and sleeping quarters to persons for periods of time not exceeding thirty-one (31) consecutive days, other than those moneys received by State of Iowa Universities for the renting of sleeping quarters in their dormitories or memorial unions.

11.02 TAX RATE AND IMPOSITION. A tax is hereby established upon the gross receipts of a hotel or motel at the rate of seven percent (7%) of such gross receipts.

11.03 PAYMENT OF TAX. The tax imposed by this chapter shall be paid as is provided in Chapter 422A of the Code of Iowa, as said chapter may be from time to time amended, codified or re-codified.

11.04 USE OF PROCEEDS. The proceeds of the tax imposed by this chapter shall be used for the purposes stated in subsection 4 of Section 422A.2 of Chapter 422A of the Code of Iowa, to wit:

1. Facilities. At least fifty percent (50%) of the revenues derived from such tax for the acquisition of sites for, or constructing, improving, enlarging, equipping, repairing, operating or maintaining of recreation, convention, cultural or entertainment facilities including but not limited to memorial buildings, halls and monuments, civic center convention buildings, auditoriums, coliseums, and parking areas or facilities located at those recreation, convention, cultural or entertainment facilities or the payment of principal and interest, when due, on bonds or other evidence of indebtedness issued by the City for those recreation, convention, cultural or entertainment

facilities; or for the promotion and enlargement of tourist and convention business in the City and surrounding areas.

2. Operations. The remaining revenues may be spent for any City operations authorized by law as a proper purpose for the expenditure within statutory limitations of City revenues derived from ad valorem taxes.

3. Bonds. Up to thirty percent (30%) of the revenue derived may be pledged to secure bonds which the City may issue for one or more of the purposes set forth in subsection 1. Any revenue pledged to the payment of such bonds may be credited to the spending requirement of subsection 1.

11.05 DETERMINATION OF NEED. The City has, through its Council, determined that it has a need for funds set forth in Section 11.04 of this chapter, that such needs are in excess, both jointly and severally, of the revenues expected to be derived from such tax and that such tax must be levied and executed to meet such needs.

11.06 EFFECTIVE DATE. The tax established in Section 11.02 shall be imposed on and after April 1, 1985.

EDITOR'S NOTE

Ordinance No. 226 imposing the above motel and hotel tax was adopted by the Council on September 7, 1978, and published by posting on September 12, 1978. Approval of the imposition of the tax was given by voters in an election held November 7, 1978.

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