

*Town of Woodruff, WI
Tuesday, October 15, 2019*

Chapter 67. Finance and Taxation

§ 67-22. Accommodations tax.

- A. Definitions. The following definitions shall be applicable in this section:

GROSS RECEIPTS

Has the meaning as defined in § 77.51(4)(a), (b) and (c), Wis. Stats., insofar as applicable.

HOTEL or MOTEL

A building or group of buildings in which the public may obtain accommodations for a consideration, including, without limitation, such establishments as inns, motels, tourist homes, tourist houses or courts, lodging houses, rooming houses, summer camps, apartment hotels, resort lodges and cabins and any other building or group of buildings in which accommodations are available to the public, except accommodations, including mobile homes as defined in § 66.0435(1)(d), Wis. Stats., rented for a continuous period of more than one month and accommodations furnished by any hospitals, sanatoriums, or nursing homes, 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.

TRANSIENT

Any person residing for a continuous period of less than one month in a hotel, motel or other furnished accommodation available to the public.

- B. Room tax established. Pursuant to § 66.0615, Wis. Stats, a tax is hereby imposed on the privilege and service of furnishing 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. Such tax shall be at the rate of 4% of the gross receipts from such retail furnishing of rooms or lodging. Such tax shall not be subject to the selective sales tax imposed by § 77.52(2)(a)1, Wis. Stats.

- C. Collection and distribution.

- (1) Collection. This section shall be administered by the Town Treasurer. Each calendar year shall be divided into four quarters. The tax imposed for the months of January, February and March shall constitute the first quarter. Those obligated to collect the tax shall file, with the Town Treasurer, the amount of taxes imposed for such period and such other information as the Town Treasurer deems necessary and appropriate. The tax due shall be paid with such filing. The filing and payment of tax shall be made within 15 days following the end of each quarter. Every person required to file such quarterly return shall also file an annual return. Such annual return shall be filed within 30 days following the close of each calendar year. The annual return shall summarize the quarterly returns, reconcile and adjust for errors in the quarterly returns, and shall contain such other additional information as the Town Treasurer requires. All returns shall be made on forms prescribed by the Town Treasurer. All returns shall be signed by the person required to file a return or his, her or its duly authorized agent. Returns need not be verified. The Town Treasurer may, for good cause shown, extend the time for filing a return, but such extension shall not exceed 30 days from the date on which the filing was due. Such extension may be granted only for good and sufficient cause.

- (2) Distribution of tax. The room tax shall be allocated as follows:
 - (a) Twenty-five percent of the tax collected shall be retained for the cost of administration, maintenance and improvement of recreational facilities and promotional projects.
 - (b) Seventy-five percent shall be distributed to the Minocqua-Arbor Vitae-Woodruff Room Tax Commission to promote and develop tourism and such other purposes as may be set forth in § 66.0615, Wis. Stats., as amended from time to time. Payments to such Commission shall be made within 30 days after the close of each calendar quarter.

D. Permits.

- (1) Permit required. No business shall be operated in the Town of Arbor Vitae, Minocqua or Woodruff which requires the payment of room tax, as set forth in this section, unless a permit for that business has been issued by the respective Town Treasurer.
- (2) Application required. Every person and organization furnishing rooms or lodging defined herein shall file an application with the respective Town's Treasurer for a permit for each place of business. Applications for a permit shall be made upon a form prescribed by the Town Treasurer. The application shall include the name under which the applicant transacts or intends to transact business, the location of his or her place of business and such other information as the Town Treasurer requires. The application shall be signed by the owner of the business or his or her authorized agent. An application fee as provided in the Town Fee Schedule^[1] shall be paid to the Town Treasurer at the time of filing the application.

[1] *Editor's Note: See Ch. A450, Fees.*
- (3) Duration of permit. Permits shall be issued annually and shall be applied for at the appropriate Town office in which the business is or will be located (Arbor Vitae, Minocqua or Woodruff). The permit shall be applied for prior to June 1 of each year for which the permit will be in effect and will be in effect from July 1 of that year until June 30 of the following year. It shall be the responsibility of the business owner or his or her authorized agent to apply for this permit annually with the respective Town Treasurer. There shall be no refund or prorating of the permit fee should the business change ownership during the year the permit is in effect. Change of ownership will require the new owner of the business to obtain a permit prior to beginning operation of the business.
- (4) Granting, displaying of permits. Upon receipt of an application for a permit, properly completed, the Town Treasurer shall grant and issue to each applicant a separate permit for each place of business within the respective Town. Such permit is not assignable and is valid only for the person or organization to whom or to which it is issued and only for the transaction of business at the place designated therein. The permit shall at all times be displayed in a conspicuous location at the place of business for which it has been issued.

- E. Revocation and suspension. If any person or organization fails to comply with this section, the Town Treasurer shall, upon 10 days' written notification to such person or organization and after affording such person or organization the opportunity to show cause why his, her or its permit should not be revoked, revoke or suspend any and all of the permits issued to such person or organization. The Town Treasurer shall give written notice to such person or organization of the suspension or revocation. No new permit shall be issued, following such revocation, unless the Town Treasurer is satisfied that the former holder of the permit will comply with the provisions of this section. A fee as provided in the Town Fee Schedule^[2] shall be imposed for the renewal or issuance of a permit following such suspension or revocation.

[2] *Editor's Note: See Ch. A450, Fees.*

- F. Sale of business. If any person or organization liable for tax hereunder sells out his, her or its business, the new owner shall require the seller to withhold a sufficient amount of the purchase price to cover unpaid room taxes until the former owner produces a receipt from the Town Treasurer showing all taxes have been paid or certificates showing that no amount is due. If such

new owner fails to require the seller to withhold such amount of tax from the purchase price as required herein, such new owner shall become personally liable for all unpaid room tax owed by the prior owner.

- G. **Audit.** If the Town Treasurer has probable cause to believe that the correct amount of room tax has not been assessed or that the tax return is not correct, the Town Treasurer may inspect and audit the financial records of the person or organization required to file such return, pertaining to the furnishing of accommodations, to determine whether the correct amount of room tax is assessed and whether the room tax return is correct. Such audit may be made as follows:
- (1) **Office audit.** The Town Treasurer may, by office audit, determine the tax required to be paid to the Town or the refund due to any person or organization under this section. This determination may be made on the basis of the facts contained in the return being audited or on the basis of any other information in the Treasurer's possession. One or more such office audit determinations may be made of the amount due for any person or organization, or for more than one period.
 - (2) **Field audit.** The Town Treasurer may, by field audit, determine the tax required to be paid to the Town or the refund due to any person or organization under this section. Such determination may be made upon the basis of the facts contained in the return being audited or upon any other information within the Treasurer's possession. The Treasurer is authorized to examine and inspect the books, records, memoranda and property of any person or organization in order to verify the tax liability of that person or organization or of another person or organization. Nothing herein shall prevent the Town Treasurer from making a determination of a tax at any time.
 - (3) **Failure to permit inspection and audit.** If any person or organization who or which is required to file a room tax return fails to comply with a request to inspect and audit the person or organization's financial returns, as set forth hereunder, such person or organization shall forfeit an amount equal to 5% of the tax determined to be due in addition to payment of such tax.
 - (4) **Completion of audit.** Upon completion of the audit, as set forth herein, the Town Treasurer shall notify the person or organization from whom or from which the room tax is due of the amount of the tax which is due and the penalty. The notice from the Town Treasurer shall advise the person or organization that he, she or it is required to file a return and to pay the penalty as set forth herein.
- H. **Penalty.** If any person or organization fails to file a return as required by this section, the Town Treasurer shall make an estimate of the amount of the gross receipts as defined herein. Such estimate shall be made for the period for which said person or organization failed to file a return and shall be based on any information in the Town Treasurer's possession or that may come into his or her possession as set forth in Subsection **G(1)** and **(2)**. On the basis of this estimate the Treasurer shall compute and determine the amount required to be paid to the Town, adding to the sum that is arrived at interest and penalties as set forth herein. One or more such determinations may be made for one or for more than one period.
- I. **Interest penalty.** All unpaid and delinquent taxes under this section shall bear interest at a rate of 10% per annum from the due date of the return until the first day of the month following the month in which the tax is paid or deposited with the Treasurer.
- J. **Failure to pay tax.** If the tax required to be paid by this section is not paid by the due date, or any extension date if one has been granted, in addition to the interest penalty set forth herein, the entire tax finally determined to be due shall be subject to a penalty of 25% of the tax due for the previous year or \$5,000, whichever is less.
- K. **Records required.** Every person or organization liable for the tax imposed by this section shall keep or cause to be kept such records, receipts, invoices and other pertinent papers, and in such

forms, as the Treasurer requires.

- L. Confidentiality. All tax returns, schedules, exhibits, writings or audit reports relating to such returns on file with the Treasurer shall be confidential; provided, however, that the Treasurer may divulge their contents to persons using the information in discharge of duties imposed by law or of the duties of their office or by order by a court. The Town may, from time to time, publish statistics as to room tax collections, provided that such statistics are classified so as not to disclose the identity of particular returns.
- M. Enforcement. Any person or organization who or which is required to obtain a permit as set forth herein who or which fails to obtain a permit or who or which violates any other provision of this section shall be subject to a forfeiture not to exceed \$250. Each day, or portion thereof, that such violation continues is hereby deemed to constitute a separate offense.