

## *Town of Dutch John*



P. O. Box 235  
Dutch John, UT 84023  
[www.dutchjohn.org](http://www.dutchjohn.org)

### **ORDINANCE 2022-01**

#### **TOWN OF DUTCH JOHN MUNICIPAL TRANSIENT ROOM TAX**

**AN ORDINANCE OF THE TOWN OF DUTCH JOHN, IMPOSING A ONE PERCENT (1%) MUNICIPAL TRANSIENT ROOM TAX ON CHARGES FOR ACCOMMODATIONS AND SERVICES, PROVIDING FOR PERFORMANCE BY THE UTAH STATE TAX COMMISSION OF ALL FUNCTIONS INCIDENT TO THE ADMINISTRATION, OPERATION, AND COLLECTION OF SUCH SALES AND USE TAX HEREBY IMPOSED, AND PROVIDING PENALTIES FOR THE VIOLATION THEREOF.**

**WHEREAS**, Title 59, Chapter 12, Section 352, et seq. Utah Code Annotated authorizes Utah municipalities to impose a transient room tax of up to one percent (1%) and

**WHEREAS**, the Town Council of the Town of Dutch John finds that imposition of a one percent (1%) transient room tax will provide needed revenue to the Town, help reduce costs to the residents for providing municipal services, offset costs for maintenance of existing facilities and provision of future civic needs, and will provide another source of funding to the general fund which does not increase the tax burden on the residents of the Town of Dutch John; and

**WHEREAS**, it is fair and equitable that the Town of Dutch John adopt a transient room tax as provided in State law.

**NOW, THEREFORE**, be it ordained by the Town Council of the Town of Dutch John as follows:

A. The Mayor of the Town of Dutch John is hereby authorized to enter into any contracts with the Utah State Tax Commission necessary for the Tax Commission to

receive and remit to the Town of Dutch John the transient room taxes levied by this Ordinance.

B. The Town of Dutch John hereby adopts the following Ordinance to be known as the Town of Dutch John Municipal Transient Room Tax.

**Title:**

Town of Dutch John Municipal Transient Room Tax

**Purpose:**

The Utah State Legislature has authorized municipalities to enact a Transient Room Tax that may be collected from persons and entities providing public accommodations in the Town. It is the purpose of this Ordinance to provide for the uniform assessment and collection of that tax pursuant to Part 3, Title 59, Chapter 2 UCA (as amended.)

**Effective Date:** This Ordinance shall become effective immediately upon adoption by the Town Council of the Town of Dutch John and posting thereof in accordance with Section 10-3-711, UCA.

**Definitions:**

For the purpose of this Ordinance, the following terms, phrases and words shall have the following meanings:

1. "Public accommodations" means a place providing temporary sleeping accommodations that are regularly rented to the public and include: Motel, hotel, inn, recreational vehicle park, campground, bed and breakfast establishment, condominium a resort home, and/or short-term rentals (i.e. airbnb).
2. Rents and Timeshare fees and dues.
3. "Transient" means the occupation of a public accommodation by a person, of less than thirty (30) consecutive days.

**Transient Room Tax.**

There is hereby levied upon the business of every person, company, corporation, or other like and similar persons,, groups, or organizations, doing business in the Town of Dutch John as motels, hotels, recreational vehicle parks, tent space, inns or like, and similar public accommodations an annual license tax equal to one percent (1%) of the gross revenue derived from the rent for each and every occupancy of a suite,, room, or rooms for a period of less than thirty (30) days.

**Gross Receipts.**

For purposes of this Section, gross receipts shall be computed upon the base room rental rate. There shall be exclude rom the gross revenue, by which this tax is measured:

1. The amount of any sales or use tax imposed by the State of Utah or by any other governmental agency upon a retailer or consumer.
2. Receipts from the sale or service charge for any food, beverage, or room service charges in conjunction with the occupancy of the suite, room, or rooms,, not included in the base room rate; and
3. Charges made for supplying telephone service, gas, or electrical energy service, not included in the base room rate.

**Exemptions to Transient Room Tax.**

No Transient Room Tax shall be imposed under this Ordinance upon any person:

1. Engaged in business for solely religious, charitable, or other types of strictly nonprofit purpose who is tax exempt in such activities under the laws of the United States and/or the State of Utah; or
2. Engaged in a business specifically exempted from municipal taxation and fees by the laws of the United States and/or the State of Utah.

### **Penalties.**

A. All persons, companies, corporations or other like and similar persons, groups or organizations doing business in the Town of Dutch John as motor courts, motels, hotels, inns. Short term rentals, trailer courts, recreational vehicle parks, or like and similar public accommodations violating the provision of this Ordinance shall be subject to a monetary penalty in the amount of ten percent (10%) of the unpaid tax due on the return. Further, if the tax is not paid within the due and payable period.


B. An additional interest penalty on any underpayment deficiency or delinquency of the payment of the tax shall be paid and computed from the time the original return is due to the date the payment is received, interest rate shall be calculated on the feral short term rate determined by the Secretary of Treasury under Section 6621 of the Internal Revenue Code and in effect for the preceding fourth calendar quarter.

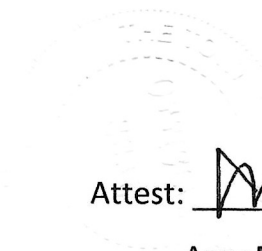

C. In addition to the monetary penalty, all persons, companies, corporations or other like and similar persons, groups or organizations doing business in the Town of Dutch John as motor courts, motels, hotels, inns, short term rentals, trailer courts, recreational vehicle parks, or like and similar public accommodations violating this Ordinance is subject to having their business license revoked.

### **Severability.**

In the event that any provision of this Ordinance less than the entire Ordinance is held invalid by a court of competent jurisdiction, this Ordinance shall be deemed severable and such finding of invalidity shall not affect the remaining portions of this Ordinance.

PASSED AND ADOPTED THIS 28<sup>TH</sup> DAY OF MARCH, 2022.

  
Sandy Kunkel, Mayor

  
Attest:   
Amy M. McDonald, Recorder




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**CERTIFICATE OF POSTING/PUBLICATION**

I, Amy M. McDonald, the duly appointed and acting recorder for the Town of Dutch John, Utah, hereby certify that a copy of Ordinance 2022-02 - Town of Dutch John Municipal Transient Room Tax was filed in the office of the Town Reorder and posted in three (3) public places within the Town on this 29th day of March, 2022.

  
Amy M. McDonald, Recorder