



## **CITY COUNCIL COMMUNICATION**

February 23, 2010

**SUBJECT:** Ordinance amending Chapter 78, "Taxation", Article IV, "Hotel Occupancy Tax", Section 78-121, "Definitions", and Section 78-126, "Violation of article; penalty", of the Code of Ordinances

**SUBMITTED BY:** Vicki Rodriguez, Director of Finance

**REFERENCE NO:** Ordinance No. 1870

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### **ACTION REQUESTED:**

Consider first and final reading of Ordinance No. 1870, amending Chapter 78, "Taxation", Article IV, "Hotel Occupancy Tax", Section 78-121, "Definitions", and Section 78-126, "Violation of article; penalty" of the Code of Ordinances of the City of Euless.

### **ALTERNATIVES:**

- Adopt different fees based on other alternatives
- Table for further consideration
- Do not approve and fees will remain unchanged

### **SUMMARY OF SUBJECT:**

Staff has evaluated the Hotel Occupancy Tax Ordinance, originally adopted in 1979, and recommends the following changes:

\*Amend Section 78-121 "Definitions" to clarify definition of Assessor-collector

\*Amend Section 78-126 to include the following:

-Change late penalty from 5% to 10% of the amount due for each month.

-Change the interest rate due on delinquent taxes from 9% per annum after 120 days, to 10% per annum after 60 days.

-Clarify that failure to collect, file, or pay the tax will result in a class C misdemeanor in accordance with Chapter 1, "General Provisions", Section 1-12, "General Penalty," of the Euless Code of Ordinances which states that violation of any ordinance is punishable with a fine up to \$500, and that each day or part of a day is considered a separate offense.

**FINANCIAL CONSIDERATIONS:**

Revenue Sources:

Expenditure Accounts:

Budgeted Fiscal Year(s):

Estimated Expenditure:

Over/Under Projection By:

Other Comments:

**SUPPORTING DOCUMENTS:**

- City Ordinance No. 1870

**APPROVED BY:**

\_\_\_\_\_ **LG** \_\_\_\_\_

City Manager's Office

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City Secretary's Office