



Prior Code: Article IV Chapter 25 (25-126 to 25-137) - Existing Code: Chapter 3.24

Ord. 8112- Enacted 6/1/81- Tax Effective on 10/31/81

- Original enactment of the tax code
- 6% tax on room rentals to a “transient” for 30 days or fewer
- Included exemptions for federal, state and municipal employees on official business as well as those employed by foreign governments and exempt for taxation under federal law
- Record keeping, filing and penalty provisions are broadly the same as existing code
- Dedicated for “tourism and tourist related activities” and an advisory board was created in this ordinance to make recommendations to council for the use of the tax proceeds

Ord. 8126- Enacted 11/2/81

- Added exemptions for contractors actively working on construction projects and defined “contractor”

Ord. 8803- Enacted 4/18/88

- Added “Bed and Breakfast Homes” definition of “Hotel-Motel”

Ord. 9001- Enacted 3/5/90

- Removed all exemption language
- Removed the definition of “Contractor”
- Replaced “Transient” with “Guest”
- Removed the requirement that “a separate account shall be maintained for all taxes collected”
- Removed the reporting requirement for non-taxable rentals

Ord. 9109- Enacted 6/17/91

- Reinstated language related to state and federal exemption

Ord. 9221 – Enacted 9/21/92

- Enacted specifically to allocate tax revenues to the VCVB
- Added language allocating funds as follows: 10% retained by the city (20/80 split between cost of administering the tax and impact of visitors on municipal services) and “at least” 85% to the VCVB (but more if Council saw fit)
- Codified process for VCVB budget approval by Council each year
- Contemplated a separate fund for excess funds not used by the VCVB each year





Ord. 94-02

- Replaced “Hotel-Motel” with “Public Accommodation”
- Added exemption for “employee of the public accommodation”
- Added new requirement for having a current city business registration
- Allowed a onetime waiver of penalty for any late filed returns after 4/30/1994
- Changed fund distribution mechanism as follows
 - 10% retained by the city – deleted language further breaking down this portion into an 20/80 split between administration of the program and the cost of city services incurred by visitors (kept broad categories in place)
 - Changed the amount available to the VCVB from “a minimum of 85%” to simply “90%”
 - Identified a VCVB Reserve managed by the city to hold the difference between the VCVB’s current year operational grant and the remaining public accommodation tax funds collected in the year.
- Clarified VCVB budget process and additional requirements for VCVB budgeting.

Ord. 94-06

- Created an exemption under the definition of “public accommodation for “...apartments are under lease to the same person/company for a minimum period of six months...”

Ord. 99-13

- Amended Section 3.24.120 to allow for up to 100% of the funds to be made available to the VCVB
- Whereas clauses reference an overall decrease in bed tax revenue and desire to put 100% of the revenue toward marketing the community.
- Changed “shall” be available to the VCVB to “may” be available.
- Added language related to the timeframes of funds collected that would be available each year.
- Added specific language reading “All public accommodation tax funds received under this chapter will be distributed to one agency to be used for marketing of tourism in the community and will not be parceled out.”
- Whereas section acknowledge the importance of VCVB’s role in tourism marketing and a reliable income source for them

Ord. 02-07

- Aligned the timing of the VCVB budget request with the overall city budget.



Ord. 04-10

- Removed all references to the VCVB from Section 3.24.120.
- Required revenues to be placed in an economic development fund.
- Created the codified application process that still exists in code.
- Whereas clauses reference increased city involvement in marketing and economic development activities, as well as an intent to have one centralized Economic Development fund for all economic development activities.

Ord. 24-05

- Amended the definition of “public accommodation” to align with the newly adopted zoning code definitions.
- Added a definition of “hosting platform” for short term rentals and provisions requiring these platforms to remit taxes directly to the city on behalf of those using their technology.