

ORDINANCE NO. 670

An ordinance amending Title 3, Revenue and Finance, Chapter 3.08, Transient Lodgings Tax, Sections 3.08.020, Tax Imposed and 3.08.030 Exemptions from chapter provisions, increasing the transient lodgings tax from six percent (6%) to six and ninety-five one hundredths percent (6.95%), dedicating ninety-five one hundredths of one percent (.95%) of the transient lodgings tax to the Troutdale Chamber of Commerce and exempting federal employees who rent rooms for official federal government business from the tax.

The City Council finds as follows:

1. The City of Troutdale currently imposes a six percent tax for transient lodging.
2. In the past, the City of Troutdale has given money from the general fund to the Troutdale Chamber of Commerce.
3. With budget constraints on City funds, the City of Troutdale will no longer be able to give money to the Troutdale Chamber of Commerce unless there is an increase in the transient lodging tax.
4. The Troutdale Chamber of Commerce is a valuable organization whose continued success benefits the City of Troutdale. It is in the City's best interest to continue to support the Troutdale Chamber of Commerce by increasing the transient lodging tax from six percent to six and ninety-five one hundredths of one percent (6.95%) so that ninety-five one hundredths of one percent (.95%) of the taxable rent (referred to as transient lodgings tax in the Title) may be dedicated to the Troutdale Chamber of Commerce.
5. Multnomah County exempts federal employees from transient lodging taxes; and most if not all transient lodging operators do not collect transient lodging taxes from federal or state employees who are renting rooms on official business because those employees claim the federal and state government is exempt from paying local taxes.

Now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TROUTDALE:

Section 1. Title 3, Revenue and Finance, Chapter 3.08, Transient Lodgings, Section 3.08.020, Tax imposed, is amended as follows:

3.08.020 Tax imposed.

For the privilege of occupancy in any hotel in the city, each transient shall pay a tax in the amount of six and ninety-five one hundredths percent (6.95%) of the rent charged by the operator. The tax constitutes a debt owed by the transient to the city, which is extinguished only by payment by the operator to the city. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. The operator shall enter the tax on his records when rent is collected if the operator keeps his records on the cash accounting basis and when earned if the operator keeps his records on the accrual accounting basis. If rent is paid in installments, a proportionate share of the tax shall be

paid by the transient to the operator with each installment. In all cases, the rent paid or charged for occupancy shall exclude the sale of any goods, services and commodities, other than the furnishing of rooms, accommodations and space occupancy in mobile home parks or trailer parks. The City shall dedicate ninety-five one hundredths of one percent (.95%) of the taxable rent to the Troutdale Chamber of Commerce.

3.08.030 Exemptions from chapter provisions.

No tax imposed under this chapter shall be imposed upon:

- A. Any occupancy for more than thirty successive calendar days (a person who pays for lodging on a monthly basis, irrespective of the number of days in such month, shall not be deemed a transient);
- B. Any occupancy whose rent is of a value less than two dollars per day;
- C. Any person who rents a private home, vacation cabin or like facility from any owner who rents such facilities incidental to his own use thereof.
- D. Any federal or state government employee who presents an exemption certificate and rents a room for official government business.

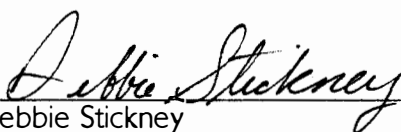
Section 2. Effective Date

This ordinance shall take effect on May 1, 1999.

YEAS: 7
NAYS: 0
ABSTAINED: 0


Paul Thayer, Mayor

Dated: 3-25-99


Debbie Stickney
City Recorder

Adopted: 3-23-99