



City of Harrisonburg, Virginia

Office of the City Manager

409 South Main Street
Harrisonburg, VA 22802
(540) 432-7701 / FAX (540) 432-7778

Kurt D. Hodgen
City Manager

TO: Kurt Hodgen, City Manager
FROM: G. Chris Brown, City Attorney
DATE: 03/01/16
RE: Transient Occupancy Tax Ordinance 4-2-81. 4-2-85 and 4-2-80

Summary: This is an update of the City's Transient Occupancy Tax Ordinance to conform to state law and to add all available collection options. These changes accomplish the following: Amending and re-enacting the Transient Occupancy Tax Ordinance to amend Section 4-2-80 to require monthly remittance of collected taxes instead of quarterly remittance, to amend the interest and penalties set forth in City Code Section 4-2-81 to ten percent (10%) each and to amend and add City Code Section 4-2-85(a) thru 4-2-85(d), to include criminal penalties for the willful failure to file returns, criminal penalties and civil fines for falsifying electronic records, and criminal penalties for the failure to pay owed transient occupancy taxes

Background: It has been several years since the Transient Occupancy Tax Ordinance was reviewed. These changes seek to bring the Transient Occupancy Tax Ordinance into conformance with state law and to provide additional collection options.

Key Issues:

1. Change interest to 10%
2. Add penalty the day after the tax is due
3. Clarify collection options

Environmental Impact: None

Fiscal Impact: None

Prior Actions: None

Alternatives: (a) adopt amendments as presented
(b); or
(c) Do not adopt ordinance at this time

Community Engagement: n/a



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RE: Transient Occupancy Tax Ordinance Amendment

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Recommendation: These amendments have been reviewed by the Treasurer, the Commissioner of Revenue, the Director of Finance and the City Attorney. The staff recommends the amendments be adopted as presented.

Attachments: Current ordinance showing recommended amendments.

Review:

G. Chris Brown, Kurt Hodgen, Anne Lewis and Erica Kann

The initiating Department Director will place in Legistar, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda. The completion of review only addresses the readiness of the issue for Council consideration. This does not address the recommendation for approval or denial of the issue.

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