

Introduced by: Mayor Cleworth
Date: January 7, 2013

ORDINANCE NO. 5913

**AN ORDINANCE TO AMEND FAIRBANKS GENERAL CODE SECTION
74-117 REGARDING DEFINITIONS IN HOTEL/MOTEL SALES TAX
ORDINANCE**

WHEREAS, the current hotel/motel room tax is an area-wide tax collected by the Fairbanks North Star Borough. The Borough tax is not levied upon hotel/motel rooms that are taxed by the City of North Pole or by the City of Fairbanks; and

WHEREAS, the Fairbanks General Code and the Fairbanks North Star Borough Code currently contain different definitions of certain terms; and

WHEREAS, the differences in these definitions has led to different application of the hotel/motel tax as between the City and the Borough; and

WHEREAS, the City's goal is the uniform application of the hotel/motel tax whether in the City or in the Borough,

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

Section 1. That Fairbanks General Code Section 74-116 is hereby amended as follows [new text in **bold/underline** font; deleted text in ~~strikethrough~~ font]:

Sec. 74-116. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Guest or renter means an individual, firm, partnership, joint venture, club, fraternal organization, association, corporation, estate, trust, receiver, or any other entity or group who **pays rent for a room for a term of less than 30 consecutive days**for a consideration uses, possesses or has the right to the use or possession of any room in a hotel under any lease, concession, permit, right of access, license to use or other agreement or otherwise.

~~*Hotel/motel* means any building, trailer or other facility in which the public may, for consideration, obtain lodging, dwelling, or sleeping accommodations which are used for the accommodation of such guests whether such rooms are in one or several structures. The term shall include hotels, apartment hotels, motels, tourist homes, houses or courts, lodging houses, inns, rooming houses, hostels, trailer houses, trailer motels, dormitory space, bed and breakfasts where bed space is rented to individuals or groups, apartments not occupied by permanent residents and all other facilities where rooms or sleeping facilities or space are furnished for a consideration. The term shall not include~~

~~hospitals, sanitariums or nursing homes, self contained and powered motor home, tent or tent space.~~

~~Occupancy means the use or possession, or the right to the use or possession, of any room in a hotel.~~

~~Operator means any person who furnishes, offers for rent, or otherwise makes available a room, whether acting directly or through an agent or employee operating a hotel in this city, including but not limited to the owner, proprietor, lessee, sub-lessee, mortgagee in possession, licensee or any other person otherwise operating such hotel.~~

~~Permanent resident means a natural person who has or shall have the right of occupancy of any room or rooms in the same hotel for at least 30 consecutive days.~~

~~Rent means the consideration, whether received in money or otherwise, charged for occupancy of a room and any equipment, like but not limited to, rollaway beds and cribs including all receipts, cash, credits, and property or services of any kind or nature.~~

~~Room means any structure or portion of a structure, permanent or temporary, fixed or mobile, in which a person, for money or other consideration, may obtain lodging, dwelling, or sleeping accommodations. This term includes hotels, apartment hotels, motels, tourist homes, houses or courts, lodging houses, inns, rooming-houses, hostels, trailers, bed and breakfasts, dormitories, and any other facility, structure, or room of whatever name where space for lodging, dwelling, or sleeping may be secured for consideration. "Room" does not include any hospital, self-contained and powered motor home, tent or tent space, medical clinic, sanitarium, or nursing home; any student dormitory operated by the University of Alaska; or any temporary lodging within a military reservation when that lodging is operated by the United States any room of any kind in any part or portion of a hotel which is available for or let out for the use or possessed for the purpose of lodging or sleeping.~~

~~Tax means the room tax as levied under this article.~~

Section 2. That Fairbanks General Code Section 74-117(a) is hereby amended as follows [new text in **bold/underline** font; deleted text in ~~strikethrough~~ font]:

Sec. 74-117. Hotel/motel tax purpose and limitation.

(a) The tax on the daily rental of ~~hotel and motel~~ rooms levied by this article is for the primary purpose of funding services for the promotion of the tourist industry and other economic development, and for the funding of services for the general public.

Section 3. That Fairbanks General Code Section 74-118 is hereby amended as follows [new text in **bold/underline** font; deleted text in ~~strikethrough~~ font]:

Sec. 74-118. Tax levy and collection.

(a) There is levied and imposed upon the use and privilege of renting a ~~hotel or motel~~ room within the city a tax on the daily rate charged for each such ~~hotel or motel~~ room rented for each 24-hour period or any portion of such period. The tax shall be equal to eight percent of each daily rate.; This tax is imposed upon all room rentals unless the rental is specifically exempted herein or by other applicable law. however, The tax shall not be levied and imposed upon a permanent resident of a ~~hotel or motel~~ room.

(b) The ultimate incident of and liability for payment of the tax shall be borne by the person who seeks the privilege of occupying such ~~hotel or motel~~ room, and such person shall be referred to as a guest or renter.

(c) The tax levied in this section shall be paid in addition to any and all other taxes and charges. It shall be the duty of the ~~owner, manager or~~ operator providing rentals taxable under this article of ~~every hotel or motel~~ to act as trustee for and on account of the city and to secure the tax from the renter of the ~~hotel or motel~~ room and pay over the tax as provided in this article.

(d) Every person required to collect the tax levied by this article shall secure the tax from the guest or renter at the time he collects the rental payment for the ~~hotel or motel~~ room. Upon the invoice, receipt or other statement or memorandum of the rent given to the guest or renter at the time of payment, the amount due under the tax provided in this article shall be stated separately on the documents.

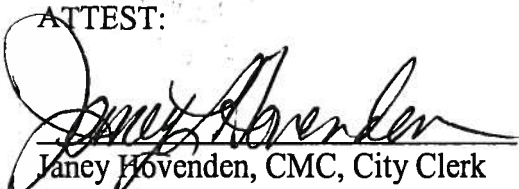
(e) Accurate records of all taxes levied and collected shall be maintained by the person required to collect the tax levied by this article.


(f) Any ~~hotel~~ operator seeking an exemption under section 74-119(4) or (5) shall keep on file, available for inspection a lease, contract or other document detailing the terms of the occupancy and permanency.

Section 4. That the effective date of this ordinance shall be the 26th day of January 2013.


Jerry Cleworth, Mayor

AYES: Walley, Matherly, Gatewood, Hilling, Eberhart, Staley
NAYS: None
ABSENT: None
ADOPTED: January 21, 2013

ATTEST:

Janey Hovenden, CMC, City Clerk

APPROVED AS TO FORM:

Paul Ewers, City Attorney