

CHAPTER 125

HOTEL/MOTEL TAX

125.01 Imposition of Tax
125.02 Use of Funds

125.03 Effective Date of Chapter and Tax Imposition

125.01 IMPOSITION OF TAX. A tax of 7% shall be and same is hereby imposed upon the gross receipts from the renting of sleeping quarters in a hotel, motel, inn, public lodging house, rooming house, mobile home which is tangible personal property, or tourist court, or in any place where sleeping accommodations are furnished to transient guests for rent, with or without meals, except for sleeping rooms provided for guests of a religious institution if the property is exempt under Section 427.1(8) of the *Code of Iowa*, and the purpose of renting is to provide a place for a religious retreat or function and not a place for transient guests generally. This tax shall only apply within the corporate boundaries of Clarion, Iowa.

125.02 USE OF FUNDS. Revenues derived from this tax shall be used as follows:

1. 75% thereof shall be expended for the promotion and encouragement of tourist and convention business in the City of Clarion, Iowa.
2. 25% thereof shall be expended for Park and Recreation capital projects within the City of Clarion, Iowa. Capital projects are defined as projects involving the acquisition or construction of fixed assets, which are of a long-term character and intended for long-term use such as land, buildings, machinery, furniture, and other equipment.

The City of Clarion will have the final authority on the disbursement of funds from the Board's proposal.

125.03 EFFECTIVE DATE OF CHAPTER AND TAX IMPOSITION. This chapter shall be in full force and effect from and after the final passage, approval, and publication of Ordinance No. 538, codified by this chapter, as required by law, and upon ratification by a majority of the eligible electors for the City of Clarion, Iowa, voting on the question of imposition as provided by Section 422A.1 of the *Code of Iowa*. The tax shall be imposed beginning on the 1st day of January, 2012, following the required notice of at least 45 days to the Director of Revenue and Finance as provided by Section 422A.1 of the *Code of Iowa*.

(Ch. 125 – Ord. 538 – Jan. 12)

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