



Legislation Text

File #: 19-787, **Version:** 1

MEMORANDUM

TO: Board of Supervisors

FROM: Carol J. Huchingson, County Administrative Officer

DATE: August 20, 2019

SUBJECT: Discussion and Consideration of Transient Occupancy Tax Appeals

EXECUTIVE SUMMARY:

In 2016, your Board provided initial direction to staff identify unregistered lodging operators, generally vacation home rentals, and bringing them into compliance. Since that time, staff has begun identifying these rentals, and contacting their owners as well as operators previously known to the County who have become delinquent on their Transient Occupancy Tax (TOT).

There are operators who were unaware they were required to collect the tax; there are some who did collect and then stopped at some point; and there are others who have continued to collect the taxes, but have failed to remit them.

Following a determination of taxes due, an operator has the opportunity to appeal that determination to the Treasurer - Tax Collector. After the evidence is reviewed, a final determination is made. If an operator is not satisfied, they can appeal the decision to your Board by requesting a hearing. Like an administrative hearing for a Code Enforcement citation, appellants have the opportunity to present evidence and provide sworn testimony. At the conclusion, your Board's decision on the matter is final and conclusive.

The initial round of appeals to your Board will be regarding previously unregistered rentals. Operators have been asked to submit returns and payment based on the last 3 years of records per the ordinance. They generally consist of those who did not know of the tax, did not collect the tax from the occupant, and contacted staff within the timelines provided. These are not factual disputes, but requests for a waiver of interest, penalties, and sometimes the actual taxes owed. These requests are beyond the authority of the Treasurer - Tax Collector to grant as it is not authorized in the ordinance.

Your Board will begin hearing appeals on August 27, 2019, and staff is requesting discussion of policy and impacts in advance of any actual appeals.

FISCAL IMPACT: ☒ None ☐ Budgeted ☐ Non-Budgeted

Estimated Cost:

Amount Budgeted:

Additional Requested:

Annual Cost (if planned for future years):

FISCAL IMPACT (Narrative): None

STAFFING IMPACT (if applicable): None

RECOMMENDED ACTION:

Staff recommends that your Board adopt the Resolution Granting Authority to Waive Transient Occupancy Tax Interest & Penalties on Appeal by an Operator.