

ORDINANCE NUMBER 2008-01

AN ORDINANCE LEVYING A RESTAURANT/LODGING (Transient Room) LICENSE FEE AND PROVIDING FOR ITS COLLECTION

WHEREAS, The Springfield City Council desires to fund marketing and the development of tourism activity within the City of Springfield;

WHEREAS, The City of Springfield will create by Ordinance a City Tourism Commission for the promotion of these activities within the City of Springfield, known as the Springfield Tourism Commission. This commission will be established by KRS and all applicable state laws.

The City Council of the City of Springfield, Kentucky does hereby ordain as follows:

Section 1. A. Pursuant to KRS 91A.400, there is hereby levied upon the retail sales of all food, beverage and alcoholic beverages by restaurants and on lodging in Springfield, Kentucky, a fee of a three percent (3%) of the gross amount of such sales; which shall be passed on to the customer or ultimate consumer.

Section 2. A. On or before the twentieth day of each calendar month, each restaurant and Lodging Owner/Operator shall report to the City Clerk/Treasurer or Treasurer of the Springfield Tourism Commission, on forms provided by the Commission, the gross sales of that restaurant/lodging facility from food and alcoholic beverages for the preceding calendar month and on the gross revenue of motels, hotels and other overnight establishments, and calculate the fee due for that month by computing three percent (3%) of its gross sales from food and non-alcoholic beverages and on lodging, and the operator shall remit with the form the fee due to the Springfield Tourism Commission.

B. For each 1-30 day period the report and the fee, or either, is past due, there shall be added as a penalty two percent (2%) of the fee due. There is a minimum of \$10.00 regardless of the amount of fee due, if any.

Section 3. A. A lien is hereby granted unto the City upon all property, real and personal of any restaurant/lodging facility, to secure the unpaid fee receipts due from that restaurant/lodging facility, which lien shall be perfected by filing a notice of the amount due and statement of lien in the office of the Washington County Court Clerk, Springfield, Kentucky, describing the property on which the lien is asserted.

B. Any person who violates this chapter or fails to comply with any of its requirements shall, on being adjudged liable thereof, be fined not less than \$25.00 nor more than \$50.00, and in addition shall pay all costs and expenses involved in the collection of the past due amount. Each day a violation continues shall be considered a separate civil offense. Nothing herein contained shall prevent the City of Springfield, Kentucky, from taking any other lawful action as is necessary to prevent or remedy any violation.

Section 4. A. The Springfield Tourism Commission shall only expend the money within the guidelines of KRS 91A.350. The Springfield Tourism commission shall retain fifty percent (50%) of fee receipts for marketing and promotional efforts and the City of Springfield shall receive fifty percent (50%) of the fee receipts to be distributed to tourism-related "quality of life" initiatives in the City of Springfield as deemed eligible by a majority of both the City Council and Tourism Commission. Potential "quality of life" recipients identified that directly impact the tourism industry include, but are not limited to, the following: Idle Hour Park, Springfield Opera House, Children/Community Theater, Downtown Main Street Festivals, Sutton Conference Center, website enhancements, signage improvements and other activities that are culturally beneficial to the public good..

B. The City of Springfield Tourism Commission will account for all funding in an account entitled Springfield Tourism Commission and shall remit a check each quarter for 50% of monies, accompanied by a quarterly report, to the City of Springfield Treasurer. Said reports shall also be submitted to the Springfield City Council, and Tourism Commission Members within fifteen days following the close of each fiscal year quarter. The remaining account will be expended upon recommendations of the Tourism Commission.

Section 5. A. A restaurant as used in this ordinance is any fixed or mobile commercial establishment that engages in the preparation and serving of ready-to-eat foods in portions to the consumer, including, but not limited to: restaurants; coffee shops, cafeterias; short order cafes; luncheonettes; grilles; tea rooms; sandwich shops; soda fountains; roadside and festival stands; street vendors; catering kitchens; grocery delicatessen, convenience store delicatessen; or similar places in which food is prepared for sale for consumption on the premises or elsewhere. It does not include schools, food vending machines, establishments serving beverages only in single service or original containers..

B. A lodging facility is defined as an establishment that accommodates overnight visitors, on a daily, weekly, monthly basis, for a charge, regardless of how the charge is characterized by the establishment and includes hotels/motels, suites, bed and breakfasts and similar transient lodging establishments. A lodging facility is not to be construed to include apartments, apartment houses and complexes where rental arrangements are usually fixed and ongoing and customarily for the period of 30 days or longer.

C. Temporary food stands, booths, street concessions and similar type operations, whether operated by nonprofit corporations or not, when food is prepared and sold for immediate consumption, are not exempt from this fee.

Section 6. A. No present or former employee of the Springfield Tourism Commission or any other person shall divulge any information acquired by him of the affairs of any person, or information regarding fee schedules, returns or reports required to be filed with the Tourism Commission, or any information produced by a hearing or investigation, insofar as the information may have to do with the affairs of the person's business. This prohibition

does not extend to information required in prosecutions for making false reports or any other infraction of this ordinance, nor does it extend to any matter, which is in any way made a matter of public record, nor does it preclude furnishing any taxpayer or his properly authorized agent with information respecting his own report. Further, this prohibition does not preclude the Tourism Commission or any employee of the Commission from testifying in any court, or from introducing as evidence returns or reports filed with the Tourism Commission, in an action for violation of state or federal tax laws.

Section 7. A. Every restaurant/lodging facility as defined in this ordinance shall keep such records, receipts, invoices, and other pertinent papers in such form as the Tourist Commission may require, for not less than four (4) years from the making of such records unless the Tourism Commission in writing sooner authorizes their destruction. The Tourism Commission or the City Clerk/Treasurer may have access to all of the above records to the extent necessary to determine proper compliance with this chapter.

B. In the event of an overpayment or an incorrect payment, a request for refund will be accepted with proof of detailed overpayment and explanation. The City reserves the right to request further proof of overpayment or incorrect payment and if deemed appropriate the request that the business making such a claim take credits on future returns in lieu of a reimbursement by check. The period that the City will consider reimbursement on is limited to two (2) years prior to the posted date of request.

Section 8. A. The license fee provided for in this Ordinance is levied, commencing on the first day of May, 2008. The first report and remittance of tax due from restaurant/lodging operators shall be on the 20th day of June, 2008.

This ordinance shall be effective upon its adoption and publication as required by law upon roll call vote:

Paul Borders	Yes	Willie Ellery	Yes	Brian Bishop	Yes
Johnny Hardin	Yes	Carolyn Hardin	Yes	Mike Elliott	Absent

First Reading Date: February 12, 2008

Second Reading Date: March 11, 2008

Publication Date: March 26, 2008

Signed by Mayor John W. Cecconi and Attested by Laurie Smith, City Administrator