

**RICHLAND COUNTY LODGING EXCISE TAX  
CODE OF REGULATIONS**

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# Richland County Lodging Excise Tax Code of Regulations

## Section 1. TITLE

This Code of Regulations shall be known and may be cited and referred to as the “Richland County Bed Tax Code of Regulations”

## Section 2. DEFINITIONS

As used in the following sections of the Richland County Bed Tax Code of Regulations:

- (A) **Board** - means the Richland County Board of Commissioners.
- (B) **Auditor** - means the Richland County Auditor and any of his designees to assist in administering and enforcing the collection of the lodging tax herein levied and imposed.
- (C) **Person** - means individuals, partnerships, corporations, receivers, assignees, trustees in bankruptcy, estates, firms, associations, L.L.C.’s, joint ventures, clubs, societies, and any or all combinations of the foregoing in any form.
- (D) **Lodging** – means every establishment kept, used maintained, advertised or held out to the public to be a place where sleeping accommodations are offered to guests in which (1) one or more rooms are used for the accommodations of such guests, whether such rooms are in one or several structures. This includes but is not limited to hotels, motels, bed & breakfast, cottages, cabins, condominiums, vacation homes or any such structures.
- (E) **Transient guests** - means person(s) occupying a room or rooms for sleeping accommodations for less than thirty (30) consecutive days.
- (F) **Operator** - means the person who is proprietor of the lodging establishment, whether in the capacity of owner, lessee, and mortgagee in possession, licensee, or any other capacity. Where the operator performs his functions through a managing agent of any type of character other than an employee, the managing agent shall also be deemed an operator for the purposes of this regulation and shall have the same duties and liabilities as his principal. Compliance with the provisions of this regulation by either the principal or the managing agent shall, however, be considered to be compliance by both.

- (G) **Premises** - means a parcel or contiguous parcels of real property upon which a hotel is operated.
- (H) **Consumer** - means the person, whether or not a guest, who pays or is obligated to pay the rent for the lodging of transient guest(s) in a hotel.
- (I) **Rent** - means the aggregate value in money or anything paid or delivered, or promised to be paid or delivered for hotel lodging, without any deduction for the cost of labor, service, property used, interest discount paid or allowed after the price is paid or agreed to be paid, or any other expense. **Rent** does not include: (1) amounts refunded for lodging not used when the full rent and tax are refunded by cash or credit; nor (2) cash discounts allowed at the time the lodging is furnished or contracted to be furnished.
- (J) **Tax** - means, unless otherwise specified, the tax levied and imposed hereby.

### **Section 3. LEVY OF TAX; WHEN COLLECTABLE; PRESUMPTION**

- (A) An excise tax is hereby levied and imposed upon each transaction in Richland County by which lodging is or is to be furnished by a vendor to a transient guest or guests, at the rate of three (3%) percent of the rent for each such transaction, on or after August 1, 1987.
- (B) The tax applies and is collectable when the lodging is furnished, regardless of the time when the rent is paid or delivered.
- (C) The tax does not apply to any rent which is paid or to be paid or reimbursed by the Federal government, the State of Ohio, or any of its political subdivisions.
- (D) For the purpose of the proper administration, and to prevent evasion, of the tax, it is presumed that all rents for hotel rooms in the Richland County are subject to the tax until the contrary is established.
- (E) The tax is not a part of the rent and shall be separately stated as such on every rent invoice, bill, statement, or other written charge therefore.

### **Section 4. LIABILITIES OF VENDOR AND CONSUMER**

- (A) The tax imposed upon and shall be paid by the consumer to the vendor as trustee solely for the benefit of Richland County, and each vendor as such trustee shall collect from the consumer the full and exact amount of the tax payable on each taxable transaction in the manner and at the times provided as follows:
  - (1) If the price is, at or prior to the transaction, paid in cash, draft or money order by the consumer to the vendor, the vendor shall collect the tax with and at the same time as the price.

- (2) If the price is otherwise paid or to be paid, the vendor shall, at or prior to the furnishing of the lodgings, charge the tax to the account of the consumer, which amount shall be collected by the vendor from the consumer in addition to the price.
- (B) Each such transaction shall be reported on, and the amount of the tax applicable thereto shall be remitted with, the return for the period in which the transaction occurs and the amount of the tax shall become a legal charge in favor of the vendor and against the consumer.
- (C) To the extent the vendor fails to collect the tax from the consumer upon each taxable transaction or, having collected the tax, fails to return and remit the same when due, the tax is hereby imposed and levied upon the vendor. This paragraph does not affect any duty of a vendor nor the liability of any consumer to pay the tax, both as imposed upon each hereunder; but any payment of tax by the vendor or the consumer reduces the liability of the other to the County to the extent of the payment.

**Section 5. RETURNS; WHEN DUE; REMISSION OF PENALTIES; PROCEDURE THEREON; FAILURE TO FILE; FORM**

- (A) Each vendor shall, on or before the last day of August, 1980, and on or before the last day of each month thereafter, make and file a full and complete return in triplicate with the Auditor for the preceding calendar month on the form prescribed and set forth below, showing all the information required thereon, including the amount of tax required to be collected from the consumer and the amount of tax due from the vendor to the County.
- (B) Upon application of the vendor, in writing and for good cause shown, the Auditor may extend the time for making and filing returns and may remit any part of the penalties which may be due hereunder.
- (C) Such return shall be filed by mailing the same in triplicate to the Auditor, together with the payment of the amount of tax shown to be due thereon plus penalty and interest.
- (D) Upon receiving the same, the Auditor shall promptly stamp or otherwise mark on all copies the date received and the amount of payment received and shall immediately transmit one copy so stamped or marked and the payment received to the County Treasurer, and one copy so stamped and marked to the County Commissioners.
- (E) The form of the return is hereby prescribed as follows and the instructions contained therein and the information required thereon are deemed to be a part hereof as fully as if set forth herein:

**Section 6. ASSESSMENTS; LIABILITIES OF VENDOR AND CONSUMER**

- (A) If any vendor collects the tax and fails to remit the same to the County as provided herein, he/she shall be personally liable for any amount collected which he/she failed to

remit; or if any vendor fails to collect the tax or any consumer fails to pay the tax on any transaction subject thereto, such vendor **and** consumer shall be personally liable for the same, and the Auditor may make an assessment against the vendor in the first case, or the vendor **and** consumer in the second case, as the facts may require, based upon any information in his possession.

- (B) An assessment against a vendor shall not discharge the consumer's liability to reimburse the vendor for the tax if the **consumer** had not paid the tax.
- (C) An assessment issued against either the vendor or the consumer shall not be considered an election of remedies nor a bar to an assessment against the other for the tax applicable to the same transaction; provided, that no assessment shall be issued against any person for the tax due on a particular transaction if the tax has been paid by another.

## **Section 7. MAINTENANCE AND INSPECTION OF RECORDS; ASSESSMENTS**

- (A) The burden of proof rests upon each vendor to show what part, if any, of his gross receipts from hotel room rents are not taxable, and for such purpose each vendor shall maintain and keep complete and accurate records of rents, together with a record of the tax collected thereon, which shall include:
  - (1) Primary records such as all guest or rent registers, rent invoices, statements or bills, rent payments and/or refunds thereon, room rate sheets or cards of prices per day of each room as required by ORC 3731.16, receipts of taxes collected, copies of the appropriate schedule of Federal income tax returns, Ohio sales tax returns and tax returns to local subdivision having a hotel lodging excise tax identical or substantially similar to the tax imposed hereby, as filed by the vendor, exemption certificates, tax payment receipts, cash register tapes, and all other pertinent documents; and
  - (2) Secondary records such as bank deposit receipts and day books, journals, or any other records in which accumulated data by the vendor, which must be supported by complete detailed records from which data was accumulated.
- (B) Guest or rent invoices, statements or bills and cash register tapes for taxable rents must have the total taxable rent and the tax charges and/or collected separately stated thereon, which amounts are to be accumulated and recorded in a secondary record.
- (C) Rent invoices, statements or bills must also clearly show the length of stay, in terms of consecutive days, for each guest.
- (D) All such records must be preserved for a period of four (4) years unless the Auditor consents, in writing, to their destruction within that period, or by order requires that they be kept for a longer period; provided, however, that any such records need no longer be preserved after an assessment for additional tax has been made and paid, with all

penalties and interest thereon, for the period involved in such assessment, but a copy of such paid assessment shall be maintained for four (4) years following the period included in such assessment.

- (E) All such records and documents shall be open during regular business hours to inspection of the Auditor who shall review, investigate, examine, and audit any of such records of such records of any vendor from time to time to determine if the proper tax has been returned and remitted. In connection with such investigation, he may interview the vendor, his agents and employees and take written statements there from under oath pursuant to the power conferred upon the Board of County Commissioners by ORC 305.21. If his investigation of such complete records reveals that any tax or additional tax should properly have been returned and remitted by the vendor, he shall make an assessment of such tax or additional tax in the manner provided in paragraph (G) hereof, infra, provided that if the Auditor is satisfied that the failure to return said tax or additional tax when due was caused by unintentional or immaterial error, mistake, or omission, he shall not impose the penalty.
- (F) If any vendor fails to maintain complete primary sales records, accurately reflecting the total rents subject to the tax and of the tax due thereon, or which may be utilized in verifying the accuracy of the figures reflected in his secondary records and/or reported on his tax returns filed hereunder, the Auditor will use one of the following methods for such verification:
- a. Determine the total amount of all rents, less rental refunds when the full tax has also been refunded either in cash or by credit, as the facts may require, based upon any information in his possession.
  - b. Determine taxable and non-taxable rents, or the ratio of taxable rents to total rents, or both, as the facts may require based upon any information in his possession.

The above described determinations may be based upon a sampling or test checks of the vendor's business activity for a representative period, or other information relating to the rental of rooms made by such vendor. The Auditor may make the same determination where the facts in his possession reasonably lead him to believe that the amount of the tax required to be collected is or should be greater than the amount remitted by the vendor.

- (G) If any vendor:
- (1) Fails to maintain complete records, as required hereby; or
  - (2) Fails or refuses to permit the Auditor to inspect any records; or
  - (3) Refuses to permit the Auditor to sample or test check his business activity; or

- (4) Having filed a return or returns, misrepresents or fails to disclose, any material fact or figure thereon; or
  - (5) Having collected the tax, fails to remit the same when due; or
  - (6) Fails to file a full and complete return when due; or
  - (7) If postmarked after the due date, which is the last day of the following month that the taxes are due, a 10% late fee will be charged. The 10% fee is based on the total amount due for that month.
- (H) No assessment, however, shall be made or issued against a vendor or consumer for any tax more than four (4) years after the return day for the period in which the taxable transaction giving rise to the assessment of the tax occurred, or after the return for said period was filed, whichever is later.
- (I) All returns, documents and payments submitted by each vendor, all records and other documents examined and all information or knowledge of any vendor's business obtained by the Auditor, shall be treated as confidential by the Auditor and the Board and shall not be released by them except upon order of a court of competent jurisdiction or to a duly authorized officer or agent of the Federal government, the State of Ohio or any municipal corporation or township in Richland County which levies a tax pursuant to ORC 5739.024(B).

## **Section 8. PROCEDURE FOLLOWING ASSESSMENT; APPEALS**

- (A) Each assessment shall be in writing stating clearly the reasons and basis therefore, upon forms adopted by the County Auditor.
- (B) In each case of an assessment, the County Auditor shall give to the assesses written notice thereof to be served personally or by certified mail, return receipt requested, along with a copy of the written assessment.
- (C) Unless the assesses, within thirty (30) days after service thereof, files with the Board a petition for reassessment in writing addressed to the Board and verified under oath by the assesses or his duly authorized agent having knowledge of the facts, and setting forth with particularity the items of assessment objected to, together with the reasons for such objection, the assessment shall become final and the amount thereof shall be deemed a debt due and payable to the County, whereupon the Board shall cause to be filed a civil action in the name of the Board for judgment in the amount of the assessment, including penalties and interest added thereto under the provisions hereof.
- (D) When a petition for reassessment is timely filed, the Board shall assign a time and place for hearing the same and shall notify the petitioner thereof by certified mail. Notice of the decision of the Board upon the petition after the hearing shall be



served upon the petitioner by certified mail and deposited in the United States mail on the date of the entry of the decision in its journal.

- (E) If aggrieved by the decision of the Board, the petitioner may appeal to the Court of Common Pleas pursuant to ORC 307.56.
- (F) When the merits of the assessment or any part thereof are finally adjudicated, the Auditor shall proceed to collect the same as in paragraph (C) hereof upon the failure of a petition for reassessment.
- (G) All monies collected upon assessments including penalties and interest thereon shall, when received by the County, be considered as revenue arising from the tax.

## **Section 9. LIABILITY OF OFFICERS AND AGENTS**

If any person, other than an individual, required to file returns and to remit the tax, fails for any reason to make such filing or payment, its officers, partners, or managing agents, or employees having control or supervision of, or charged with the responsibility of, filing returns and making payments of tax, shall be personally liable for such failure. The dissolution of such entity shall not discharge its liability for a failure to file returns or remit tax due prior to such dissolution. Such liability may be collected by assessment in the manner provided in this Resolution.

## **Section 10. SALE OF ENTIRE BUSINESS; SUCCESSOR, LIABLE FOR TAXES AND PENALTIES DUE**

If a vendor liable for the tax sells his business or quits his business, the taxes, interest and penalties imposed hereby on taxable rents made prior to that time shall become due and payable immediately, and such person shall make a final return within fifteen (15) days after the date of selling or quitting business. His successor shall withhold a sufficient amount of the purchase money to cover the amount of such taxes, interest, and penalties due and unpaid until the former owner produces a receipt from the Auditor showing that the taxes, interest, and penalties have been paid, or a certificate indicating that no taxes are due. If the purchaser of the business fail to withhold purchase money, he shall be personally liable for the payment of the taxes, interest, and penalties accrued and unpaid during the operation of the business by the former owner.

## **Section 11. REFUND OF TAXES ILLEGALLY OR ERRONEOUSLY PAID**

A written claim for refund of taxes illegally or erroneously paid (or paid on an illegal or erroneous assessment where the vendor has not reimbursed himself from the consumer)

may be filed in writing with the Auditor for a vendor within ninety (90) days from the date claimant ascertains that the payment was illegal or erroneous, but not later than four (4) years from the date of such payment.

Such claim must show that the tax was remitted to the County and that if it was collected from a consumer; the claimant has either reimbursed himself from the consumer or will hold such refund in trust for the benefit of the consumer.

The Auditor shall promptly determine the amount of the refund due (adding thereto interest at six (6%) percent per annum from the date of the overpayment) and whether an unpaid liability for tax against the claimant for the payment of tax currently exists, in which case, such refund, if allowed, plus interest, or to the extent allowed, shall be applied against such current liability to the full extent of the latter. The Auditor shall certify the excess amount of refund allowed or the full amount, as the case may be, and shall draw his warrant for such certified amount on the County Treasurer in favor of the claimant. The County Treasurer shall pay such amount from any monies to the credit of the appropriate hotel lodging excise tax account of the County Undivided General Tax Fund.

If, however, the Auditor's decision on a claim for refund is to award less than the full amount claimed, his decision shall be treated in the same manner as an assessment under Section 8 hereof and the aggrieved claimant and the County shall have all the rights, remedies and duties as set forth in said Section 8 as upon an assessment; but the Auditor shall withhold his certification until the merits of the claim have been finally adjudicated.

## **Section 12. EXAMPLES**

The following examples are published to illustrate, for the benefit of the public, the application of the tax in the specific situations:

- (A) If a person engages or reserves, and pay for, the hotel room(s) for thirty (30) consecutive days or more for specified guest(s), the tax does not apply notwithstanding that such guest(s) may, in fact, occupy the room(s) for less than thirty (30) consecutive days, such guest(s) having the right to occupy said room(s) for the longer period.
- (B) If in example A the room(s) are vacated in less than thirty (30) days, the tax applies.
- (C) If a person engages or reserves hotel room(s) for less than thirty (30) days for specified guest(s) and during or at the end of the engagement or reservation period extends the engagement of room(s), whether the same or different room(s), for

- thirty (30) days or more, without interruption of occupancy or the right to occupancy, the tax does not apply.
- (D) If a person engages or reserves hotel room(s) for more than thirty (30) consecutive days for guest(s) who nevertheless, may not, in fact, have the right to occupy the room(s) for thirty (30) or more consecutive days, the tax applies.
  - (E) If a guest occupies one room for less than thirty (30) days both for lodging and business purposes, the tax applies.
  - (F) If, in example E, such a guest occupies a suite of, or two (2) or more connecting rooms, the tax applies to the suite or all of the connecting rooms unless each connecting room, or separate room comprising the suite, is regularly assigned a rate for lodging and rented for separate lodging, in which case the tax applies only to the rent for the rooms so occupied for lodging, not to those occupied for other purposes.
  - (G) If lodging is provided without any compensation therefore and for whatever reason and without any compensating changes whatsoever in the regular rates of all other lodgings in the hotel, the tax does not apply to such complimentary lodging.
  - (H) Vouchers contained in voucher books, thrift books, and coupon books, which entitle the purchaser of the books to trade at different retail establishments shall be treated as money when applied to pay for lodging and the tax shall attach to all rents paid by the use of such vouchers, using as a tax basis the money value of the coupon or voucher.
  - (I) If lodgings are rented one (1) or more times in any twenty-four (24) hour period to different guest(s) or consumer(s), the tax applies to each rental.

# COUNTY OF RICHLAND

## HOTEL OPERATORS OCCUPANCY TAX RETURN

Hotel Name and Address: \_\_\_\_\_

Taxes for Month: \_\_\_\_\_ (Taxes due by last day of following month)

- |   |    |
|---|----|
| 1. Total Non-Transient Rooms A _____ Total Non-Transient Guests B _____ | 1  |
| 2. Total Transient Rooms A _____ Total Transient Guests B _____         | 2  |
| 3. Gross Room Sales for the Month _____                                 | 3  |
| 4. Exempt Sales Non Transient Guests _____                              | 4  |
| 5. Net Taxable Sales (line 3 less line 4) _____                         | 5  |
| 6. Tax Due (enter 3% of line 5) _____                                   | 6  |
| 7. Credit or Debit (over or under payment in prior months) _____        | 7  |
| 8. Total Tax Due (total of lines 6 and 7) _____                         | 8  |
| 9. Late Charge 10% If Postmarked after due date (10% of line 8) _____   | 9  |
| 10. Total Due Including Late Fee (total of lines 8 and 9) _____         | 10 |

I declare that the information contained in this return, to the best of my knowledge, is true, correct and complete.

Signed: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

Make check, or money order payable to: Richland County Treasurer

Mail completed return with payment to:

Richland County Auditor's Office  
50 Park Avenue East  
Mansfield, OH 44902