



City of Columbus Legislation Report

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
columbuscitycouncil.org

File Number: 0484-2014

30-Day

File ID: 0484-2014

Type: Ordinance

Status: Passed

Version: 1

***Committee:** Rules & Reference Committee

File Name: Hotel/Motel Tax Code Revision

File Created: 02/19/2014

Final Action: 03/06/2014

Auditor Cert #:

Auditor: When assigned an Auditor Certificate Number I , the City Auditor, hereby certify that there is in the treasury, or anticipate to come into the treasury, and not appropriated for any other purpose, the amount of money specified hereon, to pay the within Ordinance.

Contact Name/No.: Adam Robins

Floor Action (Clerk's Office Only)

Mayor's Action

Council Action

_____	_____	_____	_____
Mayor	Date	Date Passed/ Adopted	President of Council
_____	_____	_____	_____
Veto	Date		City Clerk

Title: To amend section 371.02 of the Columbus City Codes by revising the allocation of the city's combined 5.1 percent hotel/motel tax, to appropriate funds in the Hotel/Motel Tax fund.

Sponsors: Andrew Ginther

Attachments:

Approval History

Version	Date	Approver	Action
1	02/19/2014	Paul Rakosky	Approved
1	02/19/2014	Auditor Reviewer	Approved
Notes	HJD/mjp		
1	02/20/2014	AUDITOR APPROVER	Approved
Notes	HJD/bam		
1	02/20/2014	ATTORNEY APPROVER	Approved
Notes	jsg		

History of Legislative File

Ver.	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Columbus City Council	02/24/2014	Read for the First Time				
1	Columbus City Council	03/03/2014	Approved				Pass
			Affirmative: 7	Hearcel Craig, Zachary Klein, A. Troy Miller, Michelle Mills, Eileen Paley, Priscilla Tyson, and Andrew Ginther			
1	COUNCIL PRESIDENT	03/03/2014	Signed				
1	MAYOR	03/05/2014	Signed				
1	CITY CLERK	03/06/2014	Attest				

EBOCO: Following review and approval, when required, the Equal Business Opportunity Commission Office certifies compliance with Title 39 as of date listed.

City Attorney: Following review and approval, when required, this ordinance has been reviewed by the City Attorney's Office as to its form and legality only.

Explanation

The purpose of this ordinance is to amend section 371.02 of the Columbus City Codes, pertaining to the imposition of the hotel/motel tax. This ordinance changes the allocation of the city's combined 5.1 percent hotel/motel tax. This ordinance also appropriates the funds associated with receipts attributed to the Downtown Hilton hotel for use in accordance with Section 3.4 of the Cooperative Agreement among the City, the County of Franklin, and the Franklin County Convention Facilities Authority.

Title

To amend section 371.02 of the Columbus City Codes by revising the allocation of the city's combined 5.1 percent hotel/motel tax, to appropriate funds in the Hotel/Motel Tax fund.

Body

WHEREAS, it is necessary to amend Section 371.02 of the Columbus City Codes to change the allocation of the city's combined 5.1 percent hotel/motel tax; and

WHEREAS, it is necessary to appropriate funds in the Hotel/Motel tax fund for use in accordance with Section 3.4 of the Cooperative Agreement among the City, the County of Franklin, and the Franklin County Convention Facilities Authority; Now, Therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. To amend existing Section 371.02 as follows:

371.02 - Imposition of tax

(a) For the purpose of providing revenue ~~with which to meet the needs of the city for the use of the general fund of the city~~, for the advancement of the cultural development of the community, for promotion and publicizing of the city of Columbus as a desirable location for conventions, trade shows and similar events to encourage the patronage and business of cultural, educational, religious, professional, sports, and other organizations to utilize the city of Columbus and its

numerous facilities for such events, to support the production of affordable housing and create home ownership opportunities within the city of Columbus through the Affordable Housing Trust for Columbus and Franklin County, and for the further purpose of providing emergency human service needs to the community, all for the benefit of the citizens of the city of Columbus, an excise tax of three (3) percent is hereby levied on transactions by which lodging by a hotel or transient accommodations is or is to be furnished to transient guests, pursuant to Ohio Revised Code Sec. 5739.02(C)(1) and furthermore, an additional excise tax of three (3) percent is hereby levied on transactions by which lodging by a hotel or transient accommodations is or is to be furnished to transient guests, pursuant to Ohio Revised Code Sec. 5739.02(C)(2).

Effective January 1, 1989, the excise tax of three (3) percent levied pursuant to Ohio Revised Code Sec. 5739.02 (C)(1) above shall be reduced to two and one-tenths (2.1) percent and shall be levied on transactions by which lodging by a hotel or transient accommodations is or is to be furnished to transient guests.

(b) Although the above levies are separate and distinct, for purposes of determining distribution, the combined amounts are hereinafter referred to as the "Hotel-Motel Excise Taxes".

(c) All revenues received by the city from the hotel/ motel excise taxes each year shall be divided for the use of promoting and publicizing the city of Columbus as a desirable location for conventions, trade shows, and similar events; for use in purchasing cultural services for the enrichment of the community; for support of the production of affordable housing and creation of home ownership opportunities in Columbus; and for emergency human service needs. ~~and for the use of the general fund of the city without restriction.~~ Of the combined rates of 5.1% the amount of tax allocated for the purpose of promoting the city of Columbus from funds generated by the hotel/motel excise taxes shall be ~~2.19%~~ 2.39% effective January 1, 2013~~4~~. The maximum amount of said tax to be allocated for the purpose of expanding cultural services for the enrichment of the community shall not exceed a rate of ~~1.59%~~ 1.68% in relation to the 5.1% combined rate effective January 1, 2013~~4~~. By December of each year, recipients of funding pursuant to promoting the city and for cultural enrichment shall provide the mayor and city council a performance report of that year's activities. The maximum amount of said tax to be allocated for the purpose of providing emergency human service needs to the community shall not exceed a rate of ~~.51%~~ .6% in relation to the 5.1% combined rate, effective January 1, 2013~~4~~, of which up to three hundred thousand dollars (\$300,000.00) annually may be allocated by city council to assist social service agencies in the city with the capital costs of maintaining their facilities. The amount of tax allocated to support the production of affordable housing and create home ownership opportunities within the city of Columbus through the Affordable Housing Trust for Columbus and Franklin County shall be up to .43% in relation to the 5.1% combined rate, effective January 1, 2013~~4~~. ~~The remaining revenues generated by the hotel/motel excise taxes each year shall be deposited in the general fund of the city without restriction of use.~~ The payment scheduled for each of the aforementioned allocations shall be determined by the city auditor, provided that the city shall disperse at least fifty (50) percent of the revenue from the three (3) percent tax levied pursuant to Ohio Revised Code Sec. 5739.02(C)(2), to make contributions to convention and visitors bureaus operating within the county, annually. The payment schedule for contributions to convention and visitors bureaus operating within the county shall be determined by the city auditor and shall follow the priorities established below:

(1) The first priority is for said contributions to be paid to the Franklin County Convention

Facilities Authority, a duly constituted convention and visitors bureau operating within the county of Franklin, Ohio, to the extent necessary to satisfy the city's obligation under Section 3.06 of the lease agreement dated as of June 1, 1990 between the Franklin County convention facilities authority, as lessor, and the city and the county of Franklin, Ohio, as lessees.

(2) The second priority is for said contributions to be made pursuant to authorization of council to convention and visitors bureaus operating within the county of Franklin, Ohio, when in the judgment and opinion of the city auditor such contributions are not required to meet the first priority. The city auditor may make contributions on a monthly basis provided no second priority contribution shall be made in a month until such time as a first priority contribution is either satisfied or deemed not required.

(3) Receipts attributed to the full service convention center hotel located on High Street in Columbus, Ohio across from the existing Columbus Convention Center shall be allocated for use as directed under Section 3.4 of the Cooperative Agreement among the City, the County of Franklin and the Franklin County Convention Facilities Authority beginning January 1, 2013 for a period of up to 30 years or the life of the bonds for the project, whichever is greater.

(d) Each recipient organization of funds pursuant to the above described allocation shall within one hundred twenty (120) days after the end of their fiscal year provide to the city auditor financial statements of the organization for such fiscal year prepared in accordance with generally accepted accounting principles, with an opinion thereon by a firm of certified public accountants.

(e) The tax imposed herein applies and is collectible at the time the lodging is furnished regardless of the time when the price is paid. The tax does not apply to lodging furnished to the state, or any of its political subdivisions, or any charitable organization for the lodging of transient indigent individuals, when such charitable organization pays the hotel or transient accommodation for such lodging.

(f) For the purpose of the proper administration of this chapter and to prevent evasion of the tax it is presumed that all lodging furnished by hotels to transient guests is subject to the tax until the contrary is established.

SECTION 2. That prior existing section 371.02 of the Columbus City Codes, 1959, is hereby repealed.

SECTION 3. That revenue attributed to the Downtown Hilton Hotel is hereby appropriated and expenditures authorized in the Hotel/Motel Fund, Fund 231, Subfund 008, as provided for and in accordance with Ordinance No. 1578-2009 and 0447-2009, that all funds necessary to carry out the purpose of this sub-fund are hereby deemed appropriated, and no expenditure will be paid in an amount exceeding cash in the sub-fund.

SECTION 4. That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.