

CHAPTER 125

HOTEL/MOTEL TAX

125.01 Definitions
125.02 Tax Imposed
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125.01 DEFINITIONS. For use in this chapter the following terms are defined:

1. “Lodging” means rooms, apartments, or sleeping quarters in a hotel, motel, inn, public lodging house, rooming house, or manufactured or mobile home which is tangible personal property, or in a tourist court, or in any place where sleeping accommodations are furnished to transient guests for rent, whether with or without meals. Lodging does not include rooms that are not used for sleeping accommodations.
2. “Renting” or “rent” means a transfer of possession or control of lodging for a fixed or indeterminate term for consideration and includes any kind of direct or indirect charge for such lodging or its use.
3. “Sales price” means the consideration for renting of lodging and means the same as the term is defined in Section 423.1 of the *Code of Iowa*.

All other words and phrases used in this chapter and defined in Section 423.1 of the *Code of Iowa* have the meaning given them by Section 423.1 for the purposes of this chapter.

(Code of Iowa, Sec. 423A.2)

125.02 TAX IMPOSED. There is hereby imposed a seven percent (7%) local hotel and motel tax upon the sales price from the renting of lodging within the City.

(Code of Iowa, Sec. 423A.4)

125.03 TAX EXEMPTION. There is exempted from the provisions of this chapter and from the computation of any amount of tax imposed by Section 125.02 all of the following:

1. The sales price from the renting of lodging which is rented by the same person for a period of more than thirty-one consecutive days.
2. The sales price of lodging furnished to the guests of a religious institution if the property is exempt under Section 427.1, subsection 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.
3. The sales price from the renting of sleeping rooms in dormitories and in memorial unions at all universities and colleges located in the City.

(Code of Iowa, Sec. 423A.5)

125.04 COLLECTION. The tax imposed in this chapter shall be remitted by the person or company liable for same to the State Director of Revenue in the manner required by State law.

(Code of Iowa, Sec. 423A.6)

125.05 USE OF REVENUES. All revenue received by the City from the imposition of the hotel and motel tax shall be deposited in the General Fund of the City and shall be used as follows:

1. At least fifty percent (50%) of the revenue derived from the hotel and motel tax shall be spent for the acquisition of sites for, or constructing, improving, enlarging, equipping, repairing, operating, or maintaining of recreation, convention, cultural, or entertainment facilities including but not limited to memorial buildings, halls and monuments, civic center convention buildings, auditoriums, coliseums, and parking areas or facilities located at those recreation, convention, cultural, or entertainment facilities or the payment of principal and interest, when due, on bonds or other evidence of indebtedness issued by the City for those recreation, convention, cultural, or entertainment facilities; or for the promotion and encouragement of tourist and convention business in the City and surrounding areas.

2. The remaining revenues may be spent by the City for any City operation authorized by law as a proper purpose for the expenditure within statutory limitations of City revenue derived from ad valorem taxes.

(Code of Iowa, Sec. 423A.7)