

**ORDINANCE NO. 2019-8-8587**

**AN ORDINANCE ESTABLISHING THE CITY OF  
PADUCAH TRANSIENT ROOM TAX**

**WHEREAS**, Kentucky Revised Statutes, Chapter 91A enables the City of Paducah to, among other things, impose a transient room tax on persons occupying rooms provided by organizations doing business as motor courts, motels, hotels, inns, and other similar accommodations; and

**WHEREAS**, Kentucky Revised Statutes, Chapter 91A provides that the City shall enact an ordinance for the collection and enforcement of a transient room tax;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF PADUCAH, COMMONWEALTH OF KENTUCKY:

Section 1. Purpose. The purpose of this ordinance is to establish the procedures for the collection, use, disbursements, and enforcement of the transient room tax.

Section 2. Transient Room Tax Levy and Use. A transient room tax, which may be adjusted from time to time, shall be imposed within the city limits of Paducah on every person, group, or organization doing business as a motor court, motel, hotel, inn, bed and breakfast inn, or like or similar facility of the rent for every occupancy of a suite, room or rooms, charged by all persons, companies, or corporations. A tax of 3% will be levied for use by the Paducah Convention and Visitors Bureau, for the purpose of financing the operation of the Bureau. A tax of 1% will be levied for use by the Convention Center Corporation for the purpose of financing the operation of the Convention Center.

Section 3. Designation of Convention Center. Effective October 1<sup>st</sup>, 2019, and until further orders from the City of Paducah, the Julian Carroll Convention Center is designated as the Convention Center for the City of Paducah.

Section 4. Exceptions. A transient room tax may not apply to the rental or leasing of an apartment supplied by an individual or business that holds itself out as exclusively providing apartments. "Apartment" means a room or set of rooms in an apartment building, fitted especially with a kitchen, and usually leased as a dwelling for a minimum period of thirty (30) days or more.

Section 5. Collections. All persons, groups, organizations, or businesses as identified in Section 2 must file a monthly report in a manner and on a form prescribed by the McCracken County Treasurer.

- A. Such report must be filed with the McCracken County Treasurer on or before the 20<sup>th</sup> day of every month, for the previous month, being a period beginning on the first day of the previous month and ending on the last day of the previous month.
- B. A report must be filed, regardless of any funds or taxes collected.
- C. Any tax payments must be remitted with the report.
- D. Any late fee or interest must be remitted with the report.
- E. Any filing received or United States Post marked after the 20<sup>th</sup> day following the reporting period will be deemed late, and will be charged the following interest and penalties:

1. A late fee of 10% of the tax due per month (or daily fraction thereof) will be assessed. The minimum late fee assessed must not be less than \$25.00.
  2. An interest charge of 7% per annum on all late remittances will be assessed.
- F. For the purpose of verifying information, the treasurer may require the submission of certified copies of other state and federal tax documents.
- G. All funds collected pursuant to this section must be maintained in a separate account.
- H. All host participants in internet brokering arrangements to rent rooms, houses, farms, cabins, dwellings, or recreational vehicles with companies such as Airbnb, VRBO, or businesses of a similar type must register with the McCracken County Treasurer, providing the precise location of their rental-type unit(s), along with their tax identification numbers for the individual or company receiving the income from the rental-type unit(s). The host participant will be required to file all reports and comply with all sections on this ordinance. However, if the internet broker service enters a written, enforceable agreement with the City of Paducah to report, collect, and remit the taxes imposed by this ordinance, then the host participant will be excepted from the reporting requirements of this ordinance.

Section 6. Disbursements. The McCracken County Treasurer shall make monthly disbursements (which may be adjusted from time to time by the City of Paducah) in the following manner:

Agency	Transient Room Tax	Distribution Percentage
Paducah Convention and Visitors Bureau	3%	75%
Convention Center Corporation	1%	25%
TOTALS	4%	100%

Penalties and interest as a result of late payments must be disbursed at the same rates. The treasurer must use reasonable efforts to make disbursements on or before the 10<sup>th</sup> day of each month.

Section 7. Audit Authorized. All persons, groups, organizations, or businesses as identified in Section 2, and subject to the provisions of this ordinance, must maintain a record showing gross room rentals and permanent guest rentals, but a separate record may not be required if the taxpayer's regular records contain such information. Whenever the City of Paducah or the McCracken County Treasurer considers it necessary for the proper administration of this ordinance, a taxpayer must permit an officer or employee of the city or county to make an audit of such records and any other books, papers, files, and property of the taxpayer, and to examine witnesses under oath for the purpose of determining whether any provisions of this ordinance are being violated.

Section 8. Severability. The provisions of this ordinance are severable. If any section, clause, or other part of this ordinance, or the applicability of any part hereof, is deemed to be unconstitutional or otherwise invalid, such unconstitutionality or invalidity may not affect any of the remaining parts of this ordinance.

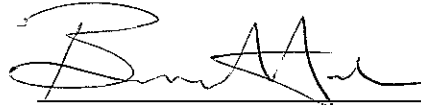
Section 9. Penalty for Violation of Section. Any person violating any provision of this chapter will be guilty of a misdemeanor and must, upon conviction, be subject to a fine of not more than \$500.00, or imprisonment for not more than 30 days, or both, for

each offense. Every month for which a report was not properly filed will constitute a separate offense.

Section 10. Compliance With Open Meetings Laws. The City Commission hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this City Commission, and that all deliberations of this City Commission and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

Section 11. Conflicts. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed and the provisions of this Ordinance shall prevail and be given effect.

Section 12. Effective Date and Implementation. This ordinance shall be read on two separate days and shall become effective upon summary publication pursuant to KRS Chapter 424. Implementation of this ordinance shall occur only upon the execution of the Interlocal Agreement entered into between the City of Paducah, McCracken County, the Paducah-McCracken County Convention and Visitors Bureau, the McCracken County Sports Tourism Commission, and the Convention Center Corporation.



Mayor Brandi Harless

ATTEST:



City Clerk, Lindsay Parish

Introduced by the Board of Commissioners, August 13, 2019

Adopted by the Board of Commissioners, August 26, 2019

Recorded by Lindsay Parish, City Clerk, August 26, 2019

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Ord\Establish Transient Room Tax

Ordinance Prepared by Denton Law Firm