

**AN ORDINANCE AMENDING CHAPTERS 7 AND 14  
OF THE ARLINGTON HEIGHTS MUNICIPAL CODE**

BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ARLINGTON HEIGHTS:

SECTION ONE: That Sections 14-207 through 14-214 related to the hotel tax, located in Article II Hotels and Motels of Chapter 14 of the Arlington Heights Municipal Code are hereby deleted in their entirety:

**~~Section 14-207 Tax.~~** A tax is hereby levied and imposed upon all persons engaged in the business of renting, leasing or letting of rooms in a motel or hotel in the Village at a rate of 5% of the gross rental receipts from such rental, leasing or letting.

**~~Section 14-208 Exemption.~~** The tax imposed under Section 14-207, Tax, shall not apply to the renting, leasing or letting of accommodations in a hotel or motel to permanent residents. For the purpose of this Article, a "permanent resident" means any person who occupies or has the right to occupy any room or rooms in a hotel or motel for at least 30 consecutive days. If a hotel or motel provides accommodations for both permanent residents and other guests, the rental obtained from the permanent residents shall not be included in the computation of the tax due.

**~~Section 14-209 Report and Remittance.~~** The tax shall be remitted on or before the 30th day of the month following the month the taxes were collected (i.e. July taxes are due on or before August 30) to the Village's Finance Department, along with the monthly report on the Village's form. Each report shall be accompanied by payment to the Village of all taxes due and owing for the month covered by the report less a 3% fee.

**~~Section 14-210 Maintaining Books and Records.~~** Every taxpayer required by this Section to pay the tax set forth in Section 14-208 shall keep accurate books and records of its business activity, including original source documents, which gave rise, or may have given rise, to any tax liability under Section 14-207. All such books and records shall be subject to and available for inspection and auditing by the Village's Finance Department or its authorized agent.

**~~Section 14-211 Interest, Penalties and Fines.~~** In the event of failure by any hotel or motel owner, operator or licensee to collect and pay to the Finance Director the tax required hereunder within 30 days after it is due, interest shall accumulate and be due upon the tax at the rate of 1% per month. In addition, a penalty of 10% of the tax and interest due shall be assessed and collected against any hotel or motel owner, operator or licensee who fails to collect and remit the tax imposed by the Article.

Any person found guilty of violating, disobeying, omitting, neglecting or refusing to comply with or resisting or opposing the enforcement of any provision of this Article, except when otherwise specifically provided, upon conviction thereof, shall be punished by a fine of not less than \$25 nor more than \$750 for the first offense, and not less than \$50 nor more than \$750 for the second and each subsequent offense in any 180 day period; each day of violation shall constitute a separate and distinct offense.

~~**Section 14-212 Proceeds.** All proceeds resulting from the imposition of the tax under this Article, including interest and penalties, shall be paid into the Treasury of the Village and shall be credited to and deposited in the General Fund of the Village.~~

~~**Section 14-213 Exemption.** The tax imposed under Section 14-207, Tax, shall not apply to the renting, leasing or letting of accommodations in a hotel or motel to permanent residents. For the purpose of this Article, a "permanent resident" means any person who occupies or has the right to occupy any room or rooms in a hotel or motel for at least 30 consecutive days. If a hotel or motel provides accommodations for both permanent residents and other guests, the rental obtained from the permanent residents shall not be included in the computation of the tax due.~~

~~**Section 14-214 Severability.** If any provision of this Article or the application thereof to any person or circumstances is held invalid, the remainder of this Article and the application of such provision to other persons or circumstances shall not be affected thereby.~~

SECTION TWO: That a new article entitled Article XV Hotel Tax is hereby added to Chapter 7 of the Arlington Heights Municipal Code to read as follows:

#### **Article XV Hotel Tax**

**Section 7-1501 Hotel Tax; Amount.** There is hereby levied and imposed upon the use and privilege of engaging in the business of leasing, renting, making, facilitating or servicing the leasing or renting of a hotel room in the Village of Arlington Heights, a tax of 5% on the gross rental receipts (not including taxes or other non-room rental charges added to the hotel bill) for each such hotel room rented for every 24 hour period, or any fraction thereof, excluding, however, from the gross rental receipts, the proceeds of such renting or leasing or letting to permanent residents of that hotel.

**Section 7-1502 Definitions.** For purposes of this Article, the following definitions shall apply:

- a. **Gross Rental Receipts.** The total amount of consideration for occupancy, valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property or services of any kind or nature, including, but not limited to, amounts charged for the making, servicing or facilitating reservations.
- b. **Hotel.** Any building or buildings in which the public may, for a consideration, obtain living quarters, sleeping or housekeeping accommodations. The term includes inns, motels, tourist homes or courts, lodging houses, rooming houses and apartment houses.
- c. **Permanent Resident.** Any person who occupied or has the right to occupy any room or rooms in a hotel for at least 30 consecutive days.
- d. **Person.** Any natural individual, firm, partnership, association, joint stock company, joint adventure, public or private corporation, or a receiver, executor, trustee, guardian or other representative appointed by order of any court.

e. Room or Rooms. Any living quarters, sleeping or housekeeping accommodations.

**Section 7-1503 Tax Return.** Each person, business, corporation, partnership or other entity, subject to the tax imposed in this Article shall make a tax return using the Village's form to the Village's Finance Department on or before the 30<sup>th</sup> day of each month following the month the taxes were collected (i.e. July taxes are due on or before August 30). Each person making the return shall, at the time of making such return, pay to the Village's Finance Department the amount of tax herein imposed.

**Section 7-1504 Reimbursement of Tax.** Persons subject to the tax imposed by this Article may reimburse themselves for their tax liability for such tax by separately stating such tax as an additional charge, which charge may be stated in combination, in a single amount, with the state tax imposed under "the Hotel Operators Occupation Tax Act".

**Section 7-1505 Books and Records.** Every person subject to the tax imposed by this Article shall keep separate books or records of his business so as to show the rents and occupancies taxable under this Article separately from his transactions not taxable hereunder. If any such person fails to keep such separate books or records, he shall be liable to the tax at the rate designated in Section 7-1501 of this Article upon the entire proceeds from his hotel.

**Section 7-1506 Interest, Penalties and Fines.** Late payment, underpayment or nonpayment of any tax due hereunder shall be subject to interest upon the tax at the rate of 1% per month. In addition, a penalty of 10% of the tax and interest due shall be assessed and collected against any person subject to the tax imposed by this Article who fails to collect and remit the tax imposed by the Article.

Any person found guilty of violating, disobeying, omitting, neglecting or refusing to comply with or resisting or opposing the enforcement of any provision of this Article, except when otherwise specifically provided, upon conviction thereof, shall be punished by a fine of not less than \$25 nor more than \$750 for the first offense, and not less than \$50 nor more than \$750 for the second and each subsequent offense in any 180 day period; each day of violation shall constitute a separate and distinct offense.

**Section 7-1507 Proceeds.** All proceeds resulting from the imposition of the tax under this Article, including interest and penalties, shall be paid into the Treasury of the Village and shall be credited to and deposited in the General Fund of the Village.

**Section 7-1508 Severability.** If any provision of this Article or the application thereof to any person or circumstances is held invalid, the remainder of this Article and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION THREE: The various provisions of this Ordinance are to be considered severable, and if any part or portion of this Ordinance shall be held invalid by any court of

competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this Ordinance.

SECTION FOUR: This Ordinance repeals all ordinances or parts of ordinances in conflict with the provisions hereof and, except as set forth in this Section, shall be in full force and affect from and after its passage, approval and publication in the manner provided by law.

AYES:

NAYS:

PASSED AND APPROVED this 7th day of May, 2018.

---

Village President

ATTEST:

---

Village Clerk

CodeAmendments: 14 Hotels