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CHAPTER 7. - HOTEL/MOTEL TAX

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Sec. 5-701. - Short title.

This chapter shall be known and cited as the Franklin Hotel/Motel Tax Ordinance.

(Ord. No. 96-61, Amendment 1, 1--1997)

Sec. 5-702. - Definitions.

As used in this chapter, unless the context otherwise requires:

- (1) *Consideration* means the consideration charged, whether or not received, for the occupancy in a hotel valued in money whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction therefrom whatsoever; provided, however, nothing in this definition shall be construed to imply that consideration is charged when the space provided to the person is complimentary from the operator and no consideration is charged to or received from any person.
- (2) *Hotel* means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist camp, tourist court, tourist cabin, motel or any place in which rooms, lodgings, or accommodations are furnished to transients for a consideration. However, "hotel" shall not mean or include a "bed and breakfast" as defined in section 5.4(5) of the Franklin Zoning Ordinance, so long as such "bed and breakfast" has fewer than five rooms for rent.
- (3) *Occupancy* means the use or possession, or the right to use or possession, or any room, lodgings, or accommodations in any hotel.
- (4) *Operator* means the person operating the hotel whether as owner, lessee, or otherwise.
- (5) *Person* means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company, corporation, estate, trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.
- (6) *Transient* means any person who exercises occupancy or is entitled to occupancy for any rooms, lodgings or accommodations in a hotel for a period of less than 90 continuous days.

(Ord. No. 96-61, Amendment 1, 1--1997)

Sec. 5-703. - Levy of tax authorized.

The board of mayor and aldermen of the City of Franklin does hereby levy upon the occupancy in any hotel of each transient a privilege tax as specified in [title 22](#), comprehensive fees and penalties of the consideration charged by the operator. Such tax is a privilege tax upon the transient occupying such room and is to be collected as provided in this chapter.

(Ord. No. 96-61, Amendment 1, 1--1997; Ord. No. 2004-51, 6--2004; Ord. No. 2009-38, § II, 7-28-2009)

Sec. 5-704. - Disposition of tax.

The proceeds received by the City of Franklin shall be designated and used for such purposes as the board may by ordinance direct.

(Ord. No. 96-61, Amendment 1, 1--1997)

Sec. 5-705. - Collection and refund.

- (1) Such tax shall be added by each and every operator to each invoice prepared by the operator for the occupancy of the hotel and given directly or transmitted to the transient. Such tax shall be collected by such operator from the transient and remitted to the city.
- (2) When a person has maintained occupancy for 30 continuous days, that person shall received from the operator a refund or credit for the tax previously collected from or charged to him, and the operator shall receive credit for the amount of such tax if previously paid or reported to the City of Franklin.

(Ord. No. 96-61, Amendment 1, 1--1997)

Sec. 5-706. - Remittance of tax.

- (1) The tax hereby levied shall be remitted by all operators who lease, rent or charge for any rooms, lodgings, spaces or accommodations in hotels within the city to the city recorder, such tax to be remitted to such officer not later than the 20th day of each month for the preceding month. The operator is hereby required to collect the tax from the transient as the time of the presentation of the invoice for such occupancy whether prior to occupancy or after occupancy as may be the custom of the operator, and if credit is granted by the operator to the transient, then the obligation to the city entitled to such tax shall be that of the operator.
- (2) For the purpose of compensating the operator for remitting tax levied by this chapter, the operator shall be allowed a percentage as specified in title 22, comprehensive fees and penalties, of the amount of the tax due and remitted to the city recorder in the form of a deduction in submitting the report and paying the amount due by such operator, provided the amount due was not delinquent at the time of payment.

(Ord. No. 96-61, Amendment 1, 1- -1997; Ord. No. 2009-38, § III, 7-28-2009)

Sec. 5-707. - Monthly tax return—Annual audit.

The city recorder shall be responsible for the collection of such tax. A monthly tax return under oath shall be filed with the city recorder by the operator with such number of copies thereof as the city recorder may reasonably require for the collection of such tax. The report of the operator shall include such facts and information as may be deemed reasonable for the verification of the tax due. The form of such report shall be developed by the city recorder and approved by the board of mayor and aldermen prior to use. The city recorder shall audit each operator in the city at least once per year and shall report on the audits made on a quarterly basis to the board of mayor and aldermen. The board of mayor and aldermen is hereby authorized to adopt ordinances to provide reasonable rules and regulations for the implementation of the provisions of this chapter.

(Ord. No. 96-61, Amendment 1, 1- -1997)

Sec. 5-708. - No advertising of rebates.

No operator of a hotel shall advertise or state in any manner whether directly or indirectly that the tax or any part thereof will be assumed or absorbed by the operator or that it will not be added to the rent, or that if added, any part will be refunded.

(Ord. No. 96-61, Amendment 1, 1- -1997)

Sec. 5-709. - Delinquent taxes—Interest and penalty.

Taxes collected by an operator which are not remitted to the city recorder on or before the due dates are delinquent. An operator shall be liable for interest on such delinquent taxes from the due date at the rate as specified in title 22, comprehensive fees and penalties, and is liable for an additional penalty as specified in title 22, comprehensive fees and penalties, for each month or fraction thereof such taxes are delinquent. Such interest and penalty shall become a part of the tax herein required to be remitted. Each occurrence of willful refusal of an operator to collect or remit the tax or willful refusal of a transient to pay the tax imposed is unlawful and shall be punishable by a civil penalty as specified in title 22, comprehensive fees and penalties.

(Ord. No. 96-61, Amendment 1, 1- -1997; Ord. No. 2009-38, § IV, 7-28-2009)

Sec. 5-710. - Records—Inspection.

It is the duty of every operator liable for the collection and payment to the city of any tax imposed by this chapter to keep and preserve for a period of three years all records as may be necessary to determine the amount of such tax as he may have been liable for the collection of the payment to the city, which records the city recorder shall have the right to inspect at all reasonable times.

(Ord. No. 96-61, Amendment 1, 1- -1997)

Sec. 5-711. - Administration and enforcement.

The city recorder in administering and enforcing the provisions of this chapter shall have as additional powers, those powers and duties with respect to collecting taxes as provided in Tennessee Code Annotated, title 67, or otherwise provided by law for the county clerks.

- (1) Upon any claim of illegal assessment and collection, the taxpayer has the remedies provided in Tennessee Code Annotated, title 67, chapter 23, it being the intent of this chapter that the provision of law which apply to the recovery of state taxes illegally assessed and collected shall also apply to the tax levied under the authority of this chapter. The city recorder shall also possess those powers and duties as provided in Tennessee Code Annotated, section 67-1-707, for the county clerks with respect to the adjustment and refunds of such tax.
- (2) With respect to the adjustment and settlement with taxpayers all errors of taxes collected by him under authority of this chapter shall be refunded by the city. The city recorder shall have the authority to direct the refunding of same. Notice of any tax paid under protest shall be given to the city recorder and any suit brought for recovery of tax paid under protest shall name the city recorder.

(Ord. No. 96-61, Amendment 1, 1- -1997)

Sec. 5-712. - Deposits of funds.

The city recorder is hereby charged with the duty of collection of the tax herein authorized and shall place the proceeds of such tax in an account as designated in accordance with section 5-704.

(Ord. No. 96-61, Amendment 1, 1- -1997)

Sec. 5-713. - Severability clause.

The provisions of this chapter are hereby declared to be severable. If any of its sections, provisions, exceptions, or parts be held unconstitutional or void, the remainder of the chapter shall continue to be in full force and effect, if being the legislative intent now hereby declared, that this chapter would have been adopted even if such unconstitutional or void matter had not been included herein.

(Ord. No. 96-61, Amendment 1, 1- -1997)

Franklin, Tennessee, Code of Ordinances >> PART II. - CODE OF ORDINANCES >> TITLE 22 - COMPREHENSIVE FEES AND PENALTIES >> CHAPTER 5. - MUNICIPAL FINANCE AND TAXATION >>

CHAPTER 5. - MUNICIPAL FINANCE AND TAXATION

<i>Facilities tax</i>	
For new residential development	\$.46 per gross square foot
For new, nonresidential development	\$.77 per gross square foot
<i>Hotel/motel privilege tax</i>	
Tax levy for the leasing, renting, and/or occupancy of each room	Four percent per room
Compensation(deduction) to operator for remitting tax on time	Two percent of monthly total
Delinquent taxes–Interest and penalty	Interest 12 percent per annum plus a penalty of one percent for each month or fraction of month the taxes are delinquent
Delinquent taxes–Civil penalty for willful refusal to pay	Shall not exceed \$50.00 per day per offense

(Ord. No. 2009-40, § 1, 7-28-2009)

2014 Budget - 15000000 HOTEL/MOTEL REVENUE
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Account	Label	Actual 2011	Actual 2012	Budget 2013	Estd 2013	Budget 2014	Forecast 2015	Forecast 2016
	Available Funds							
+								
31700	HOTEL/MOTEL TAXES	1,917,196	2,185,953	2,280,000	2,208,300	2,473,200	3,120,100	3,102,500
1	HOTEL TAX - 4% Tax Rate	1,917,196	2,185,953	2,130,000	2,208,300	2,473,200	2,770,100	3,102,500
2	HOTEL TAX for Tax Rate Increase to 5%							
3	Conference Center							
4	Hotel Revenue Growth @ 5%							
5	NEW HOTELS		150,000				350,000	
*	Amount missing from detail							
=	TOTAL LOCAL TAXES	1,917,196	2,185,953	2,280,000	2,208,300	2,473,200	3,120,100	3,102,500
33600	EPA GRANT (FEDERAL)		100,000					
33800	PARKS GRANTS		22,575		60,000			
33810	JIM WARREN PARK TREE GRANT							
=	TOTAL INTERGOVERNMENTAL		122,575		60,000			
36100	INTEREST INCOME	21,383	17,831	25,550	20,000	20,000	20,000	20,000
=	TOTAL USE OF MONEY & PROPERTY	21,383	17,831	25,550	20,000	20,000	20,000	20,000
25100	BEGINNING FUND BALANCE	1,895,995	1,944,996	2,103,082	2,103,082	2,494,784	2,571,452	3,277,111
+	CONTRIBUTIONS - OTHERS		40,000					
1	Friends of the Park		40,000					
*	Amount missing from detail							
=	TOTAL CAPITAL CONTRIBUTIONS	1,895,995	1,944,996	2,143,082	2,103,082	2,494,784	2,571,452	3,277,111
=	Total Available Funds	3,834,574	4,271,355	4,448,632	4,391,382	4,987,984	5,711,552	6,399,611

Account	Label	Actual 2011	Actual 2012	Budget 2013	Estd 2013	Budget 2014	Forecast 2015	Forecast 2016
	Operations							
82310	LEGAL NOTICES	180	277		1,671			
=	XNSP	180	277		1,671			
+	CONSULTANT SERVICES	9,752	31,077			112,000	86,500	78,075
1	FSSD - Design for shared facilities & land					30,000		
2	New Development Master Planning for Parkland Dedication					30,000	31,500	33,075
3	Historic Hayes Home (MP&E's)					52,000		
4	Hatindale Main Barn						55,000	
5	Hatindale Restroom Redesign							45,000
*	Amount missing from detail	9,752	31,077					
82599	OTHER CONTRACTUAL SERVICES		4,500					
=	XCTS	9,752	35,577			112,000	86,500	78,075
+	PARK & FIELD ELECTRICAL MAINTENANCE SERVICES							
1	Hatindale Farm Electricity added on property							
*	Amount missing from detail							
82660	BUILDING REPAIR & MAINTENANCE SERVICES		1,000		(309,108)			
82699	OTHER REPAIR & MAINTENANCE SERVICES		210		(309,108)			
=	XRMSV		1,210					
	PARKS SUPPLIES		18,807					
=	XOPS		18,807					
	COOL SPRINGS CONFERENCE CENTER OPERATIONS	(202,650)	(367,112)		(309,108)			
=	XOPU	(202,650)	(367,112)		(309,108)			
	PRINCIPAL INTEREST							
86200	PAYING AGENT & OTHER DEBT FEES							
86300	TOTAL DEBT SERVICE							
=	XDSV							
!	CONTRACTED SERVICES	373,048	452,192	498,452	498,452	562,757	630,288	705,923
+	APPROPRIATIONS TO CIVIC ORGANIZATIONS					250,000		
1	Civil War Trust					250,000		
*	Amount missing from detail							
=	XAPP	373,048	452,192	498,452	498,452	812,757	630,288	705,923
	TRANSFER TO DEBT SERVICE FUND	1,708,248	1,813,399	1,590,583	1,590,583	1,351,775	1,354,653	1,357,008
=	XTRAN	1,708,248	1,813,399	1,590,583	1,590,583	1,351,775	1,354,653	1,357,008
	TOTAL OPERATIONS	1,888,578	1,954,350	2,089,035	1,781,598	2,276,532	2,071,441	2,141,006
	Capital							
+	BUILDING IMPROVEMENTS	1,000	42,500	25,000	25,000	80,000	265,000	158,600
1	Historic Hayes Home MP&E's Construction					80,000		
2	Hatindale Farm Barn Restoration (Offices '15 & Restrooms '16)			25,000	25,000		120,000	123,600
3	Historic Hayes Home Exterior Restoration	1,000	51,835				145,000	
4	Bicentennial Park Pavilion Structure							35,000

2014 Budget - 15047100 HOTEL/MOTEL TAX
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Account	Label	Actual 2011	Actual 2012	Budget 2013	Estid 2013	Budget 2014	Forecast 2015	Forecast 2016
*	Amount missing from detail		(9,335)					
=	TOTAL BUILDINGS	1,000	42,500	25,000	25,000	80,000	265,000	158,600
+	PARKS & RECREATION FACILITIES		171,423	75,000	90,000	60,000	108,000	25,000
1	3 Plank Fencing for HF along Franklin Rd & Main Entrance			25,000	25,000		25,000	25,000
2	Various		109,289					
3	EFBP Fencing Project Along Lewisburg Pike			10,000	10,000	25,000		
4	New Scoreboards for Fieldstone Park			40,000	55,000			
5	Fort Granger New Entrance Fencing, Signage & Gravel Parking					35,000	15,000	
6	Fort Granger Boardwalk & Bridge						68,000	
*	Amount missing from detail		62,134					
=	TOTAL IMPROVEMENTS		171,423	75,000	90,000	60,000	108,000	25,000
=	TOTAL CAPITAL	1,000	213,923	100,000	115,000	140,000	373,000	183,600
=	TOTAL EXPENDITURES	1,889,578	2,168,273	2,189,035	1,896,598	2,416,532	2,444,441	2,324,606