

ORDINANCE NO. 1430

AN ORDINANCE IMPOSING AND LEVYING  
THE MUNICIPAL HOTEL OPERATORS' OCCUPATION TAX  
ON THE OPERATORS OF HOTELS WITHIN THE CITY OF LEBANON

WHEREAS, paragraph (1) of Section 2 of the Hotel Operator's Occupation Tax Act (35 ILCS 45/2[1]) defines "Hotel" as follows:

"(1) 'Hotel' means any building or buildings in which the public may, for a consideration, obtain living quarters, sleeping or housekeeping accommodations. The term includes, but is not limited to, inns, motels, tourist homes or courts, lodging houses, rooming houses and apartment houses, retreat centers, conference centers, and hunting lodges.";

WHEREAS, the first complete sentence of the first paragraph of Section 8-3-14 of the Illinois Municipal Code (65 ILCS 5/8-3-14) provides the following:

"§ 8-3-14. **Municipal hotel operators' occupation tax.** The corporate authorities of any municipality may impose a tax upon all persons engaged in such municipality in the business of renting, leasing or letting rooms in a hotel, as defined in 'The Hotel Operators' Occupation Tax Act,' at a rate not to exceed 6% in the City of East Peoria and in the Village of Morton and 5% in all other municipalities of the gross rental receipts from such renting, leasing or letting, excluding, however, from gross rental receipts, the proceeds of such renting, leasing or letting to permanent residents of that hotel and proceeds from the tax imposed under subsection (c) of Section 13 of the Metropolitan Pier and Exposition Authority Act, and may provide for the administration and enforcement of the tax, and for the collection thereof from the persons subject to the tax, as the corporate authorities determine to be necessary or practicable for the effective administration of the tax.

WHEREAS, the City Council finds that the City of Lebanon should impose a municipal hotel operators' occupation tax upon all persons engaged, within the city, in the business of renting, leasing or letting rooms in a hotel (as defined in paragraph [1] of Section 2 of the Hotel Operator's Occupation Tax Act {35 ILCS 45/2[1]}) in the amount of 5% of the gross rental receipts from such renting, leasing or letting, excluding, however from gross rental receipts, the proceeds of such renting, leasing or letting to permanent residents of that hotel;

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Lebanon, Illinois, as follows:

*Section 1. Recitals incorporated as findings.* The foregoing recitals are incorporated herein as findings of the City Council of the City of Lebanon, Illinois.

*Section 2. Definitions.* As used in this ordinance, unless the context otherwise requires:

(a) "Hotel" means any building or buildings in which the public may, for a consideration, obtain living quarters, sleeping or housekeeping accommodations. The term includes, but is not limited to, inns, motels, tourist homes or courts, lodging houses, rooming houses and apartment houses, retreat centers, conference centers, and hunting lodges.

(b) "Operator" means any person operating a hotel.

(c) "Occupancy" means the use or possession, or the right to the use or possession, of any room or rooms in a hotel for any purpose, or the right to the use or possession of the furnishings or to the services and accommodations accompanying the use and possession of the room or rooms.

(d) "Room" or "rooms" means any living quarters, sleeping or housekeeping accommodations.

(e) "Permanent resident" means any person who occupied or has the right to occupy any room or rooms, regardless of whether or not it is the same room or rooms, in a hotel for at least 30 consecutive days.

(f) "Rent" or "rental" means the consideration received 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.

(g) "Person" means any natural individual, firm, partnership, association, joint stock company, joint adventure, public or private corporation, limited liability company, or a receiver, executor, trustee, guardian or other representative appointed by order of any court.

*Section 3. Municipal hotel operators' occupation tax imposed and levied.* There is hereby imposed and levied a tax upon all persons engaged in the business of renting, leasing, or letting rooms in a hotel in this city at a rate of five percent of the gross rental receipts received from such renting, leasing or letting, excluding however from such gross rental receipts, the proceeds of such renting, leasing or letting to permanent residents of that hotel. The tax imposed and levied is in addition to any and all other taxes and charges levied or imposed.

*Section 4. Reports of hotel operator.* It shall be the duty of the operator of a hotel to file an occupancy tax return each and every month, which return shall contain the total dollar gross receipts from room occupancy rentals along with a payment to this city of the total amount shown

as due and payable to the city as required by this article. Occupancy tax return forms shall be made available by the city clerk's office to each hotel operator.

*Section 5. **Due date.*** The taxes due to the city under this article shall be due and payable with the filing of the occupancy tax return, and each tax return and the tax due shown due thereon shall be filed with the city and paid to the city on the last day of the month following the month of reporting.

*Section 6. **Failure to pay.*** If the operator of a hotel fails to file the return required or fails to pay the amount due, as reflected by such return, when such is due, a penalty of 1½ percent of the amount due per month for each month or any part thereof that the report or payment is late, is hereby imposed. The tax and penalty hereby levied and imposed shall be paid to the city.

*Section 7. **Recordkeeping.*** Every operator of a hotel shall keep accurate records of occupancy and rentals received on hotels operated in this city, and such records shall be made available upon demand by the mayor or the mayor's duly authorized agent, and shall be preserved for a period of three years.

*Section 8. **Enforcement.*** It shall be unlawful for any person to prevent, hinder or interfere with the mayor or the mayor's authorized representative in the discharge of the mayor's duties under this article.

*Section 9. **Proceeds.*** All proceeds resulting from the imposition and levy of the municipal hotel operators' occupation tax, including penalties, shall be paid into a special fund called the Tourism and Convention Fund, to be used and applied only for the promotion and development of tourism and conventions within the city. No part of the tax revenue collected shall be used to advertise for or, otherwise to promote, new competition in the hotel business in the city.

*Section 10. **Effective date.*** This ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form as provided by law.


Passed by the City Council and approved by the Mayor of the City of Lebanon, Illinois and deposited and filed in the office of the City Clerk on 29<sup>th</sup> day of May, 2018, the vote being taken by ayes and noes and entered upon the legislative record as follows:

AYES: 5 Almeter, Gerdes, Jenkins, Mack, and Wright

NOES: 0

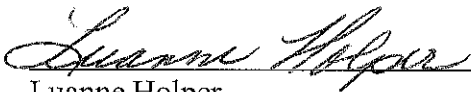
ABSENT: 3 Bartholomew, Diliberto, Gale

APPROVED:



Richard Wilken,  
Mayor of the City of Lebanon, Illinois

ATTEST:



Luanne Holper,  
City Clerk of the City of Lebanon, Illinois