

Issue Analysis Form



Date: September 14, 2021
Ordinance Amending Sections 74-301, 74-302 and 74-304 to State Transients at Travel Campgrounds pay Transient Tax and to Clarify Tax is Based on Total Price Paid by Customer
Item:
Lead Department(s): County Attorney & Commissioner of Revenue
Contact Person(s): Dan Whitten & Lindsay Lane

Description and Current Status

As of September 1, 2021, the General Assembly has amended Virginia Code Section 58.1-3826 regarding transient occupancy tax to include retail sales of rooms or space.

Section 74-301 of the County Code currently states "obtains lodging at any hotel". The proposed amendment will include use or possession of a room or space and specify hotel or travel campground. The definition of person has been added to require intermediaries such as travel booking sites to collect and pay the tax.

Section 74-302 and 74-304 of the County Code does not specify the tax paid by customer. The proposed amendment will specify the transient tax is based on the total price paid by the customer to the person receiving the funds. This will allow the tax to also be added to booking fees.

A draft ordinance is attached for consideration; a motion approving authority to advertise the ordinance for a public hearing on October 12, 2021, is requested.

This Ordinance shall be effective immediately.

Sample Motion: I move that the Board approve advertisement of an Ordinance amending Sections 74-301, 74-302 and 74-304 to state transients at travel campgrounds pay transient tax and to clarify tax is based on total price paid by customer.

Government Path

- | | | |
|---|---|--|
| Does this require IDA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require BZA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does This require Planning Commission Action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require Board of Supervisors action? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Does this require a public hearing? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| If so, before what date? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia, this 14th day of September, 2021:

Present:

Floyd M. Brown, Jr., Chairman
Marlene J. Waymack, Vice Chair
Alan R. Carmichael
Donald Hunter
T. J. Webb

Vote:

On motion of _____, seconded by _____, which carried unanimously, the following Resolution was adopted:

**RESOLUTION; AUTHORITY TO ADVERTISE AN ORDINANCE TO AMEND
“THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA,”
AS AMENDED, BY AMENDING §§74-301, 74-302 and 74-304 TO STATE
THAT TRANSIENTS STAYING AT A TRAVEL CAMPGROUND MUST
PAY THE TRANSIENT TAX AND TO CLARIFY THAT THE TRANSIENT
TAX IS BASED ON THE TOTAL PRICE PAID BY THE CUSTOMER
FOR THE USE OR POSSESSION OF THE ROOM**

NOW, THEREFORE, BE IT RESOLVED, that the Board Of Supervisors of the County of Prince George this 14th day of September, 2021, does hereby authorize the advertisement of a public hearing for an Ordinance to Amend “The Code of the County of Prince George, Virginia,” as amended, by amending §§74-301, 74-302 and 74-304 to state that transients staying at a travel campground must pay the transient tax and to clarify that the transient tax is based on the total price paid by the customer for the use or possession of the room.

A Copy Teste:

Percy C. Ashcraft
County Administrator

ORDINANCE TO AMEND “THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA”, 2005, AS AMENDED, BY AMENDING §§ 74-301; 74-302 AND 74-304 TO STATE THAT TRANSIENTS STAYING AT A TRAVEL CAMPGROUND MUST PAY THE TRANSIENT TAX AND TO CLARIFY THAT THE TRANSIENT TAX IS BASED ON THE TOTAL PRICE PAID BY THE CUSTOMER FOR THE USE OR POSSESSION OF THE ROOM

BE IT ORDAINED by the Board of Supervisors of Prince George County:

- (1) *That The Code of the County of Prince George, Virginia, 2005, as amended, is amended by amending § 74-301, 74-302, and 74-304, as follows:*

CHAPTER 74 TAXATION

ARTICLE VIII. - TRANSIENT OCCUPANCY TAX

Sec. 74-301. - Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Hotel means any public or private hotel, inn, hostelry, tourist home or house, motel, rooming house, or other lodging place within the county offering lodging for compensation to any transient.

~~*Innkeeper* means any person who provides lodging for compensation to any transient.~~

Lodging means room or space furnished any transient.

Person includes, but is not limited to, any individual, firm, partnership, association, corporation, person acting in a representative capacity or any group of individuals acting as a unit.

Transient means any person who, for a period of fewer than 30 consecutive days, either at his own expense or at the expense of another, obtains **the use or possession of a room or space occupied for** lodging at any hotel **or travel campground for which a price is charged.**

Travel Campground means any area, site, lot, field or tract of land offering spaces for recreational vehicles or campsites for transient dwelling purposes, or temporary dwelling during travel, or recreational or vacation uses.

Sec. 74-302. - Imposed; amount.

There is hereby levied and imposed, in addition to all other taxes and fees of every kind imposed by law, on each transient, a tax equivalent to seven percent of the total ~~amount~~ **price** paid **by the**

customer for the use or possession of a room or space occupied for lodging by or for such transient to any hotel.

Sec. 74-304. - Duty of innkeeper to collect and remit; innkeeper's reports.

It shall be the duty of every innkeeper **person receiving the total price paid by the customer for the use or possession of a room or space occupied for lodging by or for a transient, with respect to which a tax is levied under this article, to collect the amount of tax hereby imposed at the time payment for such room rental is made.** ~~in acting as the tax collection medium or agency for the county, to collect from the transient, for the use of the county, the tax imposed and levied by this article at the time of collecting the amount charged for the lodging, and the~~ **The** taxes collected during each calendar month shall be reported and remitted by each **person** ~~innkeeper~~ to the commissioner of the revenue, on or before the 20th day of the following calendar month. The taxes collected by **the person** ~~an innkeeper~~ shall be deemed to be held in trust by such **person** ~~innkeeper~~ until they have been remitted to the commissioner of the revenue. The required report shall be in such form as may be prescribed by the commissioner of the revenue. All remittances received by the commissioner of the revenue shall be turned over promptly to the county treasurer.

(2) *That the Ordinance shall be effective upon adoption.*