

EXHIBIT "A"
COUNTY OF ADAMS
HOTEL ROOM RENTAL TAX ORDINANCE REGULATIONS

A. DEFINITIONS

As used hereinafter, those words which are the subject of the definitions specified in the Hotel Room Rental Tax Ordinance of Adams County ("County"), at Section II thereof, shall have the identical meaning therein defined and are incorporated herein.

B. IMPOSITION OF TAX

1. Rate of Tax: The Hotel Room Rental Tax ("Tax") is imposed at the rate of five percent (5%), or such percentage as shall be further provided by any amendment to the Hotel Room Rental Tax Ordinance, of the consideration received by each operator of a hotel within the County from each transaction of renting a room or rooms to a transient. As used herein, renting shall mean the act of paying or being paid consideration, whether received in cash money or otherwise, for occupancy.
2. Collection of Tax by Operator: The Tax is to be collected by the operator of each hotel, at the time of payment, from each person who pays the consideration of renting a room.
3. Effective Date. The Tax shall be applicable to all transactions specified in regulation B(1), above, and as further set forth herein, which occur on or after the effective date of the County's Hotel Room Rental Tax Ordinance, and these regulations, which is October 1, 2012.

C. ITEMS SUBJECT TO TAX

Room Occupancy: The occupancy of any room, for consideration, having at least one bed or sleeping accommodation, is subject to the Tax. This shall include any group or suite or rooms in which a patron has occupancy, at least one of which rooms has at least one bed or other sleeping accommodation, and between which there is direct access by any means including a doorway or inside hallway.

It will be the duty of the Adams County Board of Commissioners ("Board") and staff, using information provided by other County offices and personnel, to determine what business entities are included within the definition of "hotel" when uncertainty exists. Further, it will also be the responsibility of the Board to ensure an annual review of records has been undertaken to ensure all businesses that should be included within the purview of this Ordinance are collecting this Tax and filing the required reports.

D. PERMANENT RESIDENTS

The tax is imposed for occupancy of hotel rooms by transients and not by permanent residents. After a person has occupied or had the right to occupy a room for thirty (30) consecutive days, he or she is not longer a “transient” as defined in the Ordinance. His or her status as a “permanent resident” is effective for the rental period commencing when the expiration of the thirtieth (30th) consecutive day of occupancy occurs, and continues thereafter so long as the occupancy remains continuous and uninterrupted. Thus, if a person completes his or her thirtieth (30th) day of consecutive occupancy during, or at the expiration of, a particular rental period, he or she is a permanent resident for that entire rental period even though, during a part of the period, he or she had not yet established his or her status as a permanent resident and shall remain a permanent resident for each rental period thereafter in which his or her occupancy continues uninterrupted in the same hotel. He or she is not a permanent resident, however, as to any rental period prior to the particular rental period during or at the expiration of which he or she completed his or her thirtieth (30th) day. As to such prior rental periods, he or she was and remains a “transient.”

If a hotel operator collects tax in advance for a rental period during or at the expiration of which the patron becomes exempt from the Tax by reason of the patron becoming a permanent resident, the operator must refund the tax so collected to the “permanent resident,” and should not report or remit such erroneously collected tax to the Office of the County Treasurer. If the Tax has been paid erroneously to the County for an individual no longer a transient, the hotel operator should request a refund of that portion of the Tax previously paid to the County Treasurer. The request should be made on business stationery, identifying the individual, the date the individual became a permanent resident for the purpose of the Ordinance, the period for which the tax was paid for this individual, and the refund requested. The hotel operator may make a request for multiple refunds in one letter. However, the information required above must be provided for each individual for whom a refund is requested. The County Treasurer’s Office will have seven (7) business days to provide this refund to the hotel operator. Due to the cumbersome nature of this process, hotel operators are cautioned to undertake efforts to avoid such situations in the collection of this Tax.

A rental period, for the purpose of this subsection, is a period of time, for example, a day, week, month, or the like during which, under and subject to the terms of a legally enforceable contract, a transient has a continuous right to occupy a room or rooms in a hotel and is legally bound to pay consideration therefore. (In the absence of evidence to the contrary, it is presumed that a rental period runs from the date of first occupancy or first payment of consideration to the date on which a subsequent payment of consideration is due.) A mere statement of intention to occupy, or to permit occupancy, on the part of an occupancy or hotel operator, or both, does not create a rental period unless the period in question is the subject of a legally enforceable contract.

The occupancy or right of occupancy must be for thirty (30) consecutive days to attain permanent resident status. A person who merely has a right to use a room or rooms on intermittent days of a week or month cannot become a “permanent resident” even though he or she cumulatively occupies such room or rooms for more than thirty (30) days.

The status of permanent resident only continues so long as the occupancy or right of occupancy continues uninterrupted. A permanent resident who quits his or her hotel and breaks his or her consecutive and continuing occupancy loses his or her status as permanent resident, and, with respect to his or her next occupancy, he or she does not resume his or her status as a permanent resident unless and until he or she again completes thirty (30) consecutive days of occupancy. A transfer from one hotel to another, even though both hotels are owned by the same operator, is a break in occupancy.

E. EXEMPTIONS

1. Permanent Residents: A permanent resident as that term is defined in the Ordinance is excluded from Tax liability upon the occupancy of any room or rooms in a hotel for any rental period during which, or at the expirations of which, he or she is or becomes a permanent resident.
2. Requests for Exemption: No other exemption shall be considered, unless a federal or Pennsylvania state statute or regulation exists providing such relief, and written proof is provided with the monthly submission.
3. Records of Exempt Occupancies: The hotel operator shall maintain records to support and identify all exempt occupancies.

F. REPORTS, RETURNS, PAYMENT AND COLLECTION OF TAX

1. Collection from Patron: The operator shall collect the Tax imposed as required by the Ordinance from Hotel Room Rental Tax liability upon the occupancy of any room or rooms in a hotel for any rental period during which, or at the expirations of which, he or she is or becomes a permanent resident.
2. Monthly Return by Operator: Every operator shall transmit to the County Treasurer, on or before the twentieth (20th) of each month, or the next business day if the twentieth (20th) day falls on a weekend or holiday, a return which shall contain the operator's activity for the previous month for which the return is made. This report shall include the amount of consideration received for the transactions during the month for which the return is made, the amount of tax collected by the operator during that month, and such other information as the County Treasurer may require.
3. Forms: Every report and return shall be made upon a form furnished by the Office of the County Treasurer, which shall be substantially similar to the form attached to these Regulations.
4. Payment to the Office of County Treasurer: Every operator, at the time of filing every return required by this Section, shall compute and pay to the County Treasurer the taxes collected and due to the County during the period for which the report is made.

5. Interest and Penalties for Late Returns: If any amount of tax due is not remitted by the due date, interest at the rate of one-half of one percent (.5%) of the amount of the unpaid tax, and a penalty at the rate of one percent (1%) of the amount of the unpaid tax shall be assessed for each month or fraction thereof during which the tax shall remain unpaid. This interest and penalty will be computed by the County Treasurer's Office and charged to those not filing timely returns, as defined in this Ordinance, Section IV.3., and Section F. of these regulations.

6. Records of Operation: Every operator shall maintain records which shall be made available to the County Commissioners, the County Controller, and/or the County Treasurer and duly authorized agents upon request. These shall include, but not be limited to, the number of transactions in each hotel reflected on an hourly, daily, or weekly basis, the rate(s) charged for each occupancy, the consideration received from all transactions during the month for which each return is made, as well as such other information as the County Controller or other representative or agent may require.

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