

CHAPTER 124

HOTEL/MOTEL TAX

124.01 Definitions
124.02 Tax Imposed
124.03 Tax Exemptions

124.04 Collection
124.05 Use of Revenues

124.01 DEFINITIONS. For use in this chapter the following terms are defined:

1. “Lessor” means any person engaged in the business of renting lodging to users.
2. “Lodging” means rooms, apartments, or sleeping quarters in a hotel, motel, inn, public lodging house, rooming house, or manufactured or mobile home which is tangible personal property, or in a tourist court, or in any place where sleeping accommodations are furnished to transient guests for rent, whether with or without meals.
3. “Renting” or “rent” means a transfer of possession or control of lodging for a fixed or indeterminate term for consideration and includes any kind of direct or indirect charge for such lodging or its use.
4. “Sales price” means the consideration for renting of lodging and means the same as the term is defined in Section 423.1 of the Code of Iowa.

All other words and phrases used in this chapter and defined in Section 423.1 of the Code of Iowa have the meaning given them by Section 423.1 for the purposes of this chapter.

(Code of Iowa, Sec. 423A.2)

124.02 TAX IMPOSED. There is hereby imposed a seven percent (7%) local hotel and motel tax upon the sales price from the renting of lodging within the City.

(Code of Iowa, Sec. 423A.4)

124.03 TAX EXEMPTION. There is exempted from the provisions of this chapter and from the computation of any amount of tax imposed by Section 124.02 all of the following:

1. The sales price from the renting of lodging which is rented by the same person for a period of more than thirty-one consecutive days.
2. The sales price of lodging furnished to the guests of a religious institution if the property is exempt under Section 427.1, subsection 8 of the Code of Iowa, and the purpose of renting is to provide a place for a religious retreat or function and not a place for transient guests generally.

3. The sales price from the renting of sleeping rooms in dormitories and in memorial unions at all universities and colleges located in the State.

(Code of Iowa, Sec. 423A.5)

124.04 COLLECTION. The tax imposed in this chapter shall be remitted by the person or company liable for same to the State Director of Revenue in the manner required by State law.

(Code of Iowa, Sec. 423A.6)

124.05 USE OF REVENUES. All revenue received by the City from the imposition of the hotel and motel tax shall be deposited in the General Fund of the City and shall be used as follows:

1. Eighty percent (80%) of the revenue derived from the hotel and motel tax shall be spent for the promotion and encouragement of tourism and convention business in the City.

2. Twenty percent (20%) of the revenue derived from the hotel and motel tax shall be spent by the Parks and Recreation Department of the City for any lawful purpose.

(Code of Iowa, Sec. 423A.7)