COUNTY OF LANCASTER

HOTEL ROOM RENTAL TAX &

HOTEL EXCISE TAX

RULES AND REGULATIONS

PART I

GENERAL

A. PURPOSE:

The purpose of these Rules and Regulations is to establish the procedures for the collection of the Lancaster County Hotel Room Rental Tax (the "Hotel Room Rental Tax") and the Lancaster County Hotel Excise Tax (the "Hotel Excise Tax") by the Operators of Hotels, Motels, Inns, and Guest Houses ("Hotel") and "Bed and Breakfast Homestead or Inn" (as hereinafter defined) located in Lancaster County from Patrons, establish the procedures for the remittance of the Hotel Room Rental Tax and the Hotel Excise Tax by the Operators to the Lancaster County Treasurer ("Treasurer"), establish the official reporting procedures and forms to be used by the Operators, and other relevant Rules and Regulations concerning the collection of the Hotel Room Rental Tax and the Hotel Excise Tax.

B. OBJECTIVES.

These Rules and Regulations are designed to establish a uniform practice and procedure for the imposition and collection of the Hotel Room Rental Tax and the Hotel Excise Tax. The Rules and Regulations are intended to guide and assist Operators to determine which Patrons are subject to the Hotel Room Rental Tax and the Hotel Excise Tax and the amount due by each Patron. The Rules and Regulations also establish the official forms for the reporting and remittance of the Hotel Room Rental Tax and the Hotel Excise Tax to the Treasurer, as well as general collection procedures.

C. DEFINITIONS.

As used hereinafter, those terms which are defined in Section A of Ordinance Number 45 and in Section 3 of Ordinance Number 46 ("Ordinances"), shall have the identical meaning for the purpose of these Rules and Regulations, and are incorporated herein by reference.

PART II

RULES AND REGULATIONS

A. IMPOSITION OF TAX

1. Rate of Tax: The Hotel Room Rental Tax is imposed at the rate of three and nine tenths percent (3.9%) on any Transaction. The Hotel Excise Tax is imposed at the rate of one and one tenth percent (1.1%) on any Transaction.

2. Collection of Tax by the Operator: The Hotel Room Rental Tax and the Hotel Excise Tax shall be collected by the Operator of each Hotel, at the time of the Transaction, from each Patron who pays the Consideration of the Transaction, provided, however, that the Hotel Room Rental Tax is not applicable to a "Bed and Breakfast Homestead or Inn" as defined in the Act of May 23, 1945, referred to as the Public Eating and Drinking Place Law. Under that Law, the words "Bed and Breakfast Homestead or Inn" shall mean "a private residence which contains ten or fewer bedrooms used for providing overnight accommodations to the public and in which breakfast is the only meal served and is included in the charge for the room." The Hotel Excise Tax is applicable to the aforesaid "Bed and Breakfast Homestead or Inn."

3. Effective Date: The Hotel Room Rental Tax and the Hotel Excise Tax shall be applicable to all Transactions specified in Part II.A.1. and Part II.A.2., above, which occur on and after January 1, 2000.

B. REGISTRATION.

On or before December 15, 1999 or within thirty (30) days after commencing business, whichever is later, each Operator of any Hotel or "Bed and Breakfast Homestead or Inn" shall register with the Treasurer, by completing the registration form provided by the Treasurer, a copy of which is attached in Exhibit "A". The Operator of the Hotel or "Bed and Breakfast Homestead or Inn" shall obtain from the Treasurer a certificate of authorization evidencing the Operator's authority to collect the Hotel Room Rental Tax and the Hotel Excise Tax, as applicable, and the certificate shall at all times be posted in a conspicuous place on the premises of the Hotel or "Bed and Breakfast Homestead or Inn."

C. ITEMS SUBJECT TO TAX.

The Occupancy of any Room, for Consideration, is subject to the Hotel Room Rental Tax and the Hotel Excise Tax.

D. PERMANENT RESIDENTS

1. General:

The Hotel Room Rental Tax and the Hotel Excise Tax shall be imposed for Occupancy by Transients and not by Permanent Residents. After a Patron has occupied a Room for thirty (30) consecutive days, the Patron is no longer a "transient" as defined in the Ordinances. The Patron's status as a "permanent resident" becomes effective at the expiration of the thirtieth consecutive day of Occupancy at the same Hotel and continues thereafter so long as the Patron's Occupancy remains continuous and uninterrupted at the same Hotel.

2. Procedure for Credits:

If a Patron completes thirty (30) days of consecutive Occupancy, the Patron is a Permanent Resident and such status remains effective as long as the Patron's Occupancy continues uninterrupted. Upon a Patron obtaining Permanent Resident Status the Patron shall be given a refund or credit by the Operator for the thirty (30) days preceding the Patron's achieving Permanent Resident status. The Operator is entitled to a credit for the Operator's refund or credit to the Patron, the Operator's credit shall be noted on the next monthly Return filed by the Operator.

3. Guidelines for Implementation:

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 Patron has a continuous right to occupy a Room or Rooms in a Hotel or "Bed and Breakfast Homestead or Inn" and has paid or is legally bound to pay Consideration therefor. (In the absence of evidence to the contrary, it is assumed that a rental period runs from the date of first occupancy or first payment of Consideration to the date on which a subsequent payment or Consideration is due.) A mere statement of intention to occupy or to permit occupancy, on the part of a Patron or Operator, or both, does not create a rental period unless the period in question is the subject of a legally enforceable contract.

A Patron who merely has the right to use a room or rooms on intermittent days of a week or month cannot become a "Permanent Resident" even though the Patron cumulatively occupies a room for more than any thirty (30) day period.

The status of Permanent Residents only continues so long as the Occupancy or right of Occupancy continues uninterrupted. A Permanent Resident who breaks the consecutive and continuing Occupancy loses the status as a Permanent

Resident and with respect to the Patron's next occupancy, the Patron does not resume the status of a Permanent Resident unless and until the Patron again completes thirty (30) consecutive days of Occupancy. A transfer from one Hotel to another, even though both Hotels are owned and/or operated by the same Operator, is a break in Occupancy. A mere change of rooms within the same Hotel is not a break in Occupancy, for the purpose of Permanent Resident exemption.

E. STATE AND FEDERAL EMPLOYEES.

Occupancy of Rooms by the Government of the United States, or its agencies, or by an employee or representative of the Government of the United States or its agencies, when such Occupancy is solely for official purposes and the Transaction is paid by the Government of the United States or its agencies, are exempt from both the Hotel Room Rental Tax and the Hotel Excise Tax. Occupancy of Rooms by the Government of the Commonwealth of Pennsylvania, or its agencies, or by an employee or representative of the Government of the Commonwealth of Pennsylvania, or its agencies, when such occupancy is solely for official purposes and the Transaction is paid by the Commonwealth of Pennsylvania or its agencies, are exempt from both the Hotel Room Rental Tax and the Hotel Excise Tax.

F. RECORDS OF EXEMPT OCCUPANCIES. The Operator shall maintain records to support and identify all exempt occupancies. The records shall include a form to be completed by both the Permanent Resident, Federal employee, State employee or Organization and the Operator. The Operator shall also provide to the Treasurer a monthly statement itemizing all exemptions claimed.

G. REPORTS, RETURNS, PAYMENTS AND COLLECTION OF TAX.

1. Collections from Patron: The Operator shall collect both the Hotel Room Rental Tax and the Hotel Excise Tax imposed by the Ordinances from the Patron of the Room, and remit the same to the Treasurer. The Operator shall be liable to the County for the payment of both the Hotel Room Rental Tax and the Hotel Excise Tax to the County as provided in the Ordinances.

2. Monthly Return by Operator: On or before the twenty-fifth day of each calendar month, the Operator shall submit to the Treasurer a return, that shall contain the previous calendar month's information, together with the remittance of both the Hotel Room Rental Tax and the Hotel Excise Tax due. The return shall include the amount of Consideration received for the Transactions during the month, the amount of each of the Hotel Room Rental Tax and the Hotel Excise

Tax collected by the Operator and any other information as the Treasurer may require from time to time.

3. Forms. Every report and return shall be made upon the official form furnished by the Treasurer. The Treasurer reserves the right to, from time to time, amend and/or modify any form. The Treasurer also reserves the right to develop any and all forms to effectuate and implement the Ordinances or these Rules and Regulations. A copy of the current official forms are made part hereof and are attached hereto in Exhibits "B," "C" and "D." The Treasurer shall issue a Certificate of Authorization to each Operator following receipt by the Treasurer of the Operator's completed Combined Registration for the Lancaster County Hotel Room Rental Tax and the Lancaster County Hotel Excise Tax.

4. Payment to the Office of the County Treasurer: At the time of filing the returns, the Operator shall compute and timely and unconditionally remit to the Treasurer in immediately available funds the Hotel Room Rental Tax and the Hotel Excise Tax collected by the Operator and due to the County.

5. Interest for Late Returns. In the event the Hotel Excise Tax is not remitted by the due date, interest at the rate of .75% shall be added for each month or fraction thereof during which any of the Hotel Excise Tax shall remain unpaid or not properly remitted in accordance with these Rules and Regulations.

H. FAILURE TO COLLECT AND REPORT TAX, DETERMINATION OF TAX BY COUNTY TREASURER, FAILURE TO REMIT TAX.

1. Collection and Report:

If any Operator shall fail to register with the Treasurer or shall fail or refuse to collect the Hotel Room Rental Tax and the Hotel Excise Tax under these Rules and Regulations, or fails or refuses to produce any report or form required by the Rules and Regulations, the Treasurer shall proceed in such manner as the Treasurer shall deem proper to obtain facts and information on which to base the estimate of the Hotel Room Rental Tax and the Hotel Excise Tax due, together with any interest, costs and attorneys' fees. As soon the Treasurer has procured the facts and information as may be obtained, the Treasurer shall determine the amount of Hotel Room Rental Tax and the Hotel Excise Tax due and payable by the Operator, together with any interest, costs and attorney's fees (the "Determination").

The Treasurer shall give a notice of the Determination by personal service or by United States mail, postage prepaid, addressed to the Operator at the Operator's last known place of business. The Operator may within ten (10) days after the

service of the Determination make application in writing to the Treasurer for a hearing on the amount assessed in the Determination.

If the Operator does not make such application within the time prescribed, the amount due under the Determination shall become final and conclusive and immediately become due and payable.

If the Operator does provide such application, the Treasurer shall give no less than five (5) days prior written notice to the Operator of a hearing to show cause why the Determination is improper. At such hearing, the Operator may appear and offer evidence why the Treasurer's Determination is improper. At the conclusion of the hearing, the Treasurer shall ascertain the proper Hotel Room Rental Tax and the Hotel Excise Tax due, together with any interest, costs and attorney's fees and shall provide written notice to the Operator of the total amount due (the "Assessment"). The Assessment shall be payable within thirty (30) days unless an appeal is taken pursuant to these Rules and Regulations.

2. Failure to Remit.

If an Operator fails to timely remit the Hotel Room Rental Tax and the Hotel Excise Tax collected by the Operator to the Treasurer, the Treasurer shall provide written notice to the Operator of the tax, interest, costs and attorney's fees to be assessed on such untimely remittance. If the Operator fails to remit the collected Hotel Room Rental Tax and the Hotel Excise Tax, together with any interest, costs and attorney's fees within ten (10) days from date of such notice, the Treasurer or his designee shall proceed with the filing of any and all claims and/or actions against the Operator in the Court of Common Pleas of Lancaster County. Except as otherwise provided by the Ordinances or these Rules and Regulations, the Operator shall be considered by the Treasurer to perform the duty of collection of the Hotel Room Rental Tax and the Hotel Excise Tax under the same fiduciary obligation as placed on local tax collectors under the Pennsylvania Local Tax Collection Law.

I. APPEAL.

Any Operator aggrieved by any decision of the Treasurer with respect to the amount due for the Hotel Room Rental Tax and the Hotel Excise Tax, interest, costs and attorney's fees may appeal the decision of the Treasurer to the Court of Common Pleas of Lancaster County. The Treasurer reserves the right to waive such interest, costs or attorney's fees based upon good cause shown.

J. RECORDS.

It is presumed that all Rooms are subject to the Hotel Room Rental Tax and the Hotel Excise Tax until the contrary is established by accurate records of the Operator. The burden of proving that the Transaction is not taxable is upon the Operator and the Operator must demonstrate the same through accurate records. In any case where an Operator fails to maintain adequate records as required under these Rules and Regulations, any Room for which there is not adequate records shall be deemed to be Occupied for the entire period for which the supporting records are lacking.

It shall be the duty of every Operator liable for the collection of the Hotel Room Rental Tax and the Hotel Excise Tax to keep and preserve for a period of three (3) years all records as may be necessary to determine the amount of such tax for which the Operator was liable to collect and pay to the County. The records shall be maintained at the place of business where the subject Rooms were rented. The records shall include but are not limited to folios; lease agreements; general ledgers; night auditor and housekeeper reports; traffic summaries; source of business reports; and any other documents that support Room revenues and exemptions. The records shall be filed in a manner that allows ready access by the Treasurer or the Treasurer's authorized agents, who shall have the right to inspect the records during regular business hours of the Operator and to perform an audit thereon.

In all instances where an Operator claims an exemption to the Ordinances pursuant to Rules and Regulations Section E., the Operator shall retain copies of identification cards of the Patron or other records indicating the exempt Patron's job number, employer, place of employment or other identifying information.

K. REFUNDS.

Whenever the amount of the Hotel Room Rental Tax and the Hotel Excise Tax, interest, costs or attorney's fees has been overpaid, paid more than once, or erroneously collected or received by the Treasurer under the Ordinances, the overpayment may be refunded to the Operator provided that a verified written claim is filed by the Operator with the Treasurer within three (3) years of the date of payment stating the specific grounds upon which the claim is founded. The Operator must either return the refunded payment to the Patron or credit such amount to the Patron's account. If the Patron's whereabouts are unknown or unascertainable after reasonable investigation, such refund shall be resubmitted by the Operator to the Treasurer and shall be subject to the applicable escheat laws and statutes.

L. ACTIONS TO COLLECT.

Any Hotel Room Rental Tax and Hotel Excise Tax collected by an Operator that has not been paid to the Treasurer shall be deemed a debt owed by the Operator to Lancaster County. Any Patron or Operator owing any monies to Lancaster County pursuant to the provisions of the Ordinances and these Rules and Regulations shall be liable to Lancaster County for the same. Any action to collect brought under the Ordinances or these Rules and Regulations shall be brought by Lancaster County or Lancaster County's designee.

Any actions brought under the Ordinances or these Rules and Regulations by Lancaster County or Lancaster County's designee, shall include the Hotel Room Rental Tax and the Hotel Excise Tax, any interest due under the Rules and Regulations, and any costs and attorney's fees associated with the collection thereof.

M. RIGHT TO PRIVACY.

All reports, returns and forms submitted to the Treasurer are subject to public disclosure under the Pennsylvania Right to Know Law. The Treasurer shall not disclose any confidential information which is otherwise protected by law.

N. SEVERABILITY OF PROVISIONS.

In the event any provision, section, sentence, clause or part of these Rules and Regulations shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of these Rules and Regulations, it being the intent of the Treasurer that the remainder of these Rules and Regulations shall remain in full force and effect.

O. AMENDMENTS.

The Treasurer reserves the right to, from time to time, without advance notice, amend and/or supplement these Rules and Regulations. Amendments and/or supplements to the Rules and Regulations shall be made available to the Operators.

COMBINED REGISTRATION FOR THE LANCASTER COUNTY HOTEL ROOM RENTAL TAX AND THE LANCASTER COUNTY HOTEL EXCISE TAX

AMBER GREEN, LANCASTER COUNTY TREASURER
150 North Queen Street, Suite #122
P.O. Box 1447, Lancaster, PA 17608-1447
(717) 299-8222

1. LEGAL NAME OF OWNER OF FACILITY: _____

   TRADE NAME: _____

2. LOCATION OF PRINCIPAL PLACE OF BUSINESS (PO BOXES ARE NOT ACCEPTABLE):

   _____

   _____ TELEPHONE # _____

3. BILLING ADDRESS (IF DIFFERENT THAN #2). ALL RECORDS INVOLVING COUNTY OF LANCASTER TRANSACTIONS MUST BE KEPT AT THE BUSINESS LOCATION.

   _____

   _____ TELEPHONE # _____

4. FEDERAL EMPLOYER IDENTIFICATION NUMBER (EIN): _____

5. APPLICANT IS OPERATING AS: _____ INDIVIDUAL _____ PARTNERSHIP _____ ASSOCIATION

   _____ CORPORATION _____ OTHER (DESCRIBE: _____)

6. PLEASE LIST THE NAME(S), TITLE(S), AND TELEPHONE NUMBER OF INDIVIDUAL(S) RESPONSIBLE FOR REMITTING THE COUNTY ROOM RENTAL TAX:

   NAME _____ TITLE _____ PHONE # _____

   NAME _____ TITLE _____ PHONE # _____

7. TYPE OF BUSINESS: _____ HOTEL _____ MOTEL _____ BED & BREAKFAST _____ GUEST HOUSE _____ OTHER

8. DO YOU PROVIDE MEALS?: _____ YES _____ NO

   IF SO, WHICH MEALS?: _____

9. DOES THE CHARGE FOR OCCUPANCY OF ROOM INCLUDE MEALS? _____

   IF SO, WHICH MEALS? _____

10. NUMBER OF LODGING ROOMS: _____

11. PRICE RANGE:

SINGLE ROOMS:	DOUBLE ROOMS:
PER DAY _____	PER DAY _____
PER WEEK _____	PER WEEK _____
PER MONTH _____	PER MONTH _____

12. NOTE REGARDING BED AND BREAKFAST INNS: THE LANCASTER COUNTY HOTEL ROOM RENTAL TAX OF 3.9% DOES NOT APPLY TO AN ESTABLISHMENT THAT IS A "BED AND BREAKFAST HOMESTEAD OR INN" AS DEFINED IN THE ACT OF MAY 23, 1945, REFERRED TO AS THE PUBLIC EATING AND DRINKING PLACE LAW. UNDER THAT LAW, THE WORDS "BED AND BREAKFAST HOMESTEAD OR INN" SHALL MEAN "A PRIVATE RESIDENCE WHICH CONTAINS TEN OR FEWER BEDROOMS USED FOR PROVIDING OVERNIGHT ACCOMMODATIONS TO THE PUBLIC AND IN WHICH BREAKFAST IS THE ONLY MEAL SERVED AND IS INCLUDED IN THE CHARGE FOR THE ROOM."

    _____ CHECK HERE IF YOU CLAIM TO BE A "BED AND BREAKFAST HOMESTEAD OR INN".

I CERTIFY THAT THE INFORMATION PROVIDED ON THIS REGISTRATION FORM HAS BEEN EXAMINED BY ME, AND IS, TO THE BEST OF MY KNOWLEDGE AND BELIEF TRUE, CORRECT AND COMPLETE.

NAME _____ TITLE _____

SIGNATURE _____ DATE _____ PHONE # _____

UPON COMPLETION OF THIS REGISTRATION AND ISSUANCE OF THE CERTIFICATE OF AUTHORIZATION, YOU WILL BE AUTHORIZED BY THE LANCASTER COUNTY TREASURER TO COLLECT THE HOTEL ROOM RENTAL TAX AND/OR THE HOTEL EXCISE TAX.

COMBINED MONTHLY REPORT OF
THE LANCASTER COUNTY HOTEL ROOM RENTAL TAX AND
THE LANCASTER COUNTY HOTEL EXCISE TAX

FACILITY INFORMATION

Facility Number: _____

Name of _____

Period covered by this

_____ thru _____

Address Line 1: _____

Address Line 2: _____

Telephone: _____

Mailing address if different from

_____

_____

Comments:

TAX COMPUTATION

1. Total potential room nights for the period (number of rooms X days in period)

_____ X _____ = _____

2. Total number of occupied room nights for the period = _____

3. RECEIPTS

Total gross room receipts (excluding taxes) for period = _____

Less receipts exempted from tax = _____

Attach Exemption Statement(s)

Taxable receipts = _____

4. Room tax computation amount of tax @ 3.9% = _____

5. Excise tax computation amount of tax @ 1.1% = _____

6. Total tax due (sum of 4 and 5) = _____

☐ NO TAX DUE

I hereby certify that this return has been examined by me and that the information herein is true, correct, and complete to the best of my knowledge and belief.

_____ Please Print

_____ Title

_____ Signature

_____ Date

Notes:

The Lancaster County Hotel Room Rental Tax is imposed at the rate of 3.9% of the consideration received by each operator of a facility within
Lancaster County from each transaction of renting a room or rooms. Certain "Bed and Breakfasts, Homesteads, or Inns" are not required to collect this tax.

The Lancaster County Hotel Excise Tax is imposed at a rate of 1.1% of the consideration received by each operator of a facility within Lancaster County from each transaction of renting a room or rooms.

Both taxes are to be collected by the operator of each facility from each patron who rents a room. Each operator is required to file a tax return and remit tax due on or before the 25th day of the month subsequent to the month in which the tax is levied. If there is no tax due for a given period, file return indicating "NO TAX DUE" by checking the appropriate box above. Late filings are subject to penalty.

Make check payable to "Lancaster County Treasurer" and mail

County of Lancaster, Office of the Treasurer
150 North Queen Street, Suite #122
P.O. Box 1447
Lancaster, PA 17608-1447
717-299-8222

COMMONWEALTH AND FEDERAL EMPLOYEE EXEMPTION STATEMENT FOR THE LANCASTER COUNTY HOTEL ROOM RENTAL TAX AND THE LANCASTER COUNTY HOTEL EXCISE TAX

Collection Period: _____ **through** _____

The following figure includes all Commonwealth and Federal Employee Exemptions from the Lancaster County Hotel Room Rental Tax and the Lancaster County Hotel Excise Tax.

Total Exempt Receipts: _____

Facility: _____ **Facility Number:** _____

Address: _____

Vendor Name (Please Print): _____

Vendor's Signature: _____

Title: _____ **Date:** _____

Hotel operators are obligated to maintain records to support and identify this type of exemption, i.e. copies of the exemption certificates or other identifying documents.

PLEASE ATTACH and RETURN supporting documentation on any and all exemptions.

This statement MUST accompany your monthly tax return.

County of Lancaster
Office of the County Treasurer
150 N. Queen Street, Suite #122
P.O. Box 1447
Lancaster, PA 17608-1447
(717) 299-8222

PERMANENT RESIDENT EXEMPTION STATEMENT FOR THE LANCASTER COUNTY HOTEL ROOM RENTAL TAX AND THE LANCASTER COUNTY HOTEL EXCISE TAX

Collection Period: _____ **through** _____

The undersigned claims exemption from the Lancaster County Hotel Room Rental Tax and the Lancaster County Hotel Excise Tax for the following permanent residents, as defined by statute and ordinance.

GUEST	ADDRESS	PRICE CHARGED	DATE OCCUPANCY BEGAN

Total Exempt Receipts: _____

Facility: _____ **Facility Number:** _____

Please Print Name: _____ **Title:** _____

Vendor's Signature: _____

PLEASE ATTACH and RETURN supporting documentation on any and all exemptions.

This statement MUST accompany your monthly tax return.

County of Lancaster
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