**PAROWAN CITY ORDINANCE NO. 2022-09-01**

**AN ORDINANCE IMPOSING A ONE PERCENT MUNICIPAL TRANSIENT TAX ON ALL ACCOMODATIONS AND SERVICES, FOR PAROWAN CITY, IRON COUNTY, UTAH.**

**WHEREAS**, Utah municipalities have been given the authority to enact a transient room tax pursuant to and in accordance with Utah Code Annotated 59-12-301, et. seq; and

**WHEREAS**, Parowan City is a municipal corporation duly organized and existing under the laws of the State of Utah; and

**WHEREAS**, the City Council finds that in conformance with the provisions of Utah Code Annotated 10-3-71, the governing body may exercise all administrative and legislative powers by resolution or ordinances; and

**WHEREAS,** the City Council finds that the public safety, health and welfare is an issue in this matter and requires action by the City.

**WHEREAS,** the City did publish on the City’s web site and posting the proposed Ordinance; and

**WHEREAS,** the City opened the meeting for verbal comments from the Community and Council; and

**WHEREAS,** notice of a public hearing regarding the adoption of this Ordinance was properly published; and

**WHEREAS,** the City Council finds that it is in the best interest of the City of Parowan, after taking into consideration the public planning for the welfare of its citizens, to adopt the within and foregoing Ordinance.

**NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF PAROWAN CITY, IRON COUNTY, STATE OF UTAH, AS FOLLOWS:**

**Section 1: Transient Room Tax**

It is the intent and purpose of Parowan City to adopt a Transient Room Tax pursuant to and in accordance with Utah Code Annotated section 59-12-352 et. seq.

**Definitions:**

“Public Accommodation” a place providing temporary sleeping accommodations to the public and includes:

a. Motel, Hotel

b. Motor Court or RV Park

c. An Inn

d. A bed and breakfast establishment

e. Vacation Rental/Resort Home

f. A room, including, but not limited to; temporary rentable space.

“Rent” any compensation received in exchange for providing public accommodations, time share fees and dues.

“Transient” shall mean the occupation of public accommodation, by a person, of less than thirty (30) consecutive days of less

**Transient Room Revenue Tax**

There is hereby levied upon the businesses of every person, company, corporation, or other like and similar persons, groups, or organizations doing business in Parowan City as motor courts, motels, hotels, inns or the like, and similar public accommodations, an annual license tax equal to one percent (1%) of the gross revenue derived from the rent for each and every occupancy of a suite, room or rooms, for a period of less than thirty (30) days. Subject to the limitations of Utah Code Annotated 59-12-352(1), the transient room tax may be modified at any time by ordinance.

**Business License Requirement**

Businesses defined in the previous paragraph are required to obtain and keep current a business license with Parowan City in accordance with Parowan City Code Annotated section 5-02-010 et. seq. Any business that is subject to collection of the Municipal Transient Room Tax, which does not maintain a current business license, is in violation of this ordinance.

**Collection**

Parowan City shall contract with the State Tax Commission to collect the Municipal Transient Room Tax. The Mayor is hereby authorized to enter into agreements with the State Tax Commission that may be necessary for the continued administration and operation of the Transient Room Tax enacted by this chapter.

**Use**

Revenues generated by the transient room tax shall be deposited in the City’s general fund and may be used for any general fund purpose.

**Exemptions**

No Transient Room Tax shall be imposed under this chapter upon any person:

(1) Engaged in business solely for religious, charitable or other types of strictly nonprofit purpose who is tax exempt in such activities under the laws of the United States and the State of Utah; or

(2) Engaged in a business specifically exempted from municipal taxation and fees by the laws of the United States or the State of Utah.

**Penalties and Interest**

Penalties and interest equal to those authorized by Utah Code Annotated 59-1-401 and 59-1-402 (as amended), or its successor, shall be imposed on any person who:

(1) Is required to pay the tax under this part; and

(2) Does not remit the tax to the collecting agent within the time prescribed by law.

**Section 2: SEVERABILITY:**

If any provision of this ordinance is declared invalid or inoperative by a court of competent jurisdiction, the remainder shall not be affected thereby and effect shall be given to the intent manifested by the portion held invalid or inoperative.

**Section 3: PARAGRAPH HEADINGS:**

The paragraph headings used herein are for convenience only and shall not be considered in the interpretation of this Ordinance.

**Section 4: REPEALER**:

Any previously enacted ordinances or parts thereof which are inconsistent with this ordinance are hereby repealed, but only to the extent that they are inconsistent with this ordinance. The repealer shall not, however, be construed to revive any ordinance heretofore repealed.

**Section 5: EFFECTIVE DATE:**

The City Council of Parowan City, State of Utah, has determined that the public health, safety and welfare requires that this Ordinance take effect immediately to further assist in the development of the City and to assure continued support of City services and permitted under state Transient Room Tax provisions. Therefore, this Ordinance shall become effective immediately upon passage and publication as required by law.

PASSED, APPROVED, ADOPTED and ORDAINED this 22 day of September 2022

PAROWAN CITY:

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

MOLLIE HALTERMAN, Mayor

ATTEST:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CALLIE BASSET

CITY RECORDER

**VOTE: AYE NAY ABSTAIN ABSENT**

Councilmember David Burton \_\_\_\_\_ \_\_\_\_\_ \_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_

Councilmember Sharon Downey \_\_\_\_\_ \_\_\_\_\_ \_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_

Councilmember Matt Gale \_\_\_\_\_ \_\_\_\_\_ \_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_

Councilmember James W. Shurtleff \_\_\_\_\_ \_\_\_\_\_ \_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_

Councilmember Rochell Topham \_\_\_\_\_ \_\_\_\_\_ \_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_