

MAR 10 2005
WAYS AND MEANS

HOUSE FILE 697
BY MASCHER

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the imposition of a countywide hotel and motel
2 tax.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

HF 697

TLSB 228HH 81

mg/gg/14

1 Section 1. Section 423A.1, unnumbered paragraphs 1 and 4,
2 Code 2005, are amended to read as follows:

3 A city or a county acting on behalf of the unincorporated
4 areas may impose by ordinance of the city council or by
5 resolution of the board of supervisors, if approved by the
6 voters as provided in this section, a hotel and motel tax, at
7 a rate not to exceed seven percent, which shall be imposed in
8 increments of one or more full percentage points upon the
9 sales price from the renting of sleeping rooms, apartments, or
10 sleeping quarters in a hotel, motel, inn, public lodging
11 house, rooming house, manufactured or mobile home which is
12 tangible personal property, or tourist court, or in any place
13 where sleeping accommodations are furnished to transient
14 guests for rent, whether with or without meals; except the
15 sales price from the renting of sleeping rooms in dormitories
16 and in memorial unions at all universities and colleges
17 located in the state of Iowa and the guests of a religious
18 institution if the property is exempt under section 427.1,
19 subsection 8, and the purpose of renting is to provide a place
20 for a religious retreat or function and not a place for
21 transient guests generally. The tax when imposed by a city
22 shall apply only within the corporate boundaries of that city
23 and when imposed by a county shall apply only outside
24 incorporated areas within that county. However, a county may
25 impose a countywide hotel and motel tax, at a rate in
26 increments of one or more full percentage points but not to
27 exceed four percent, by resolution of the board of
28 supervisors, if a countywide vote is held and a majority of
29 those voting on the question of imposition vote in favor of
30 the imposition. This countywide tax would be in addition to
31 any tax imposed by the city or by the county outside of
32 incorporated areas. "Renting" and "rent" include any kind of
33 direct or indirect charge for such sleeping rooms, apartments,
34 or sleeping quarters, or their use. However, the tax does not
35 apply to the sales price from the renting of a sleeping room,

1 apartment, or sleeping quarters while rented by the same
2 person for a period of more than thirty-one consecutive days.

3 A city or county shall impose a hotel and motel tax or
4 increase the tax rate only after an election at which a
5 majority of those voting on the question favors imposition or
6 increase. However, a hotel and motel tax shall not be
7 repealed or reduced in rate if obligations are outstanding
8 which are payable as provided in section 423A.2, unless funds
9 sufficient to pay the principal, interest, and premium, if
10 any, on the outstanding obligations at and prior to maturity
11 have been properly set aside and pledged for that purpose.
12 The election held by a city shall be held at the time of the
13 regular city election or at the time of a special election.
14 The election held by a county shall be held at the time of the
15 county's general election or at the time of a special
16 election.

17 Sec. 2. Section 423A.2, subsection 2, Code 2005, is
18 amended to read as follows:

19 2. All moneys in the local transient guest tax fund shall
20 be remitted at least quarterly by the department of revenue,
21 pursuant to rules of the director of revenue, to each city in
22 the amount collected from businesses-in the tax imposed by
23 that city and to each county in the amount collected from
24 businesses-in-the-unincorporated-areas-of the tax imposed by
25 the county.

26 Sec. 3. Section 423A.2, subsection 4, paragraph f, Code
27 2005, is amended to read as follows:

28 f. A city ~~or~~, a county acting on behalf of an
29 unincorporated area, or a county acting on behalf of the
30 entire county may, in lieu of calling an election, institute
31 proceedings for the issuance of bonds under this section by
32 causing a notice of the proposal to issue the bonds, including
33 a statement of the amount and purpose of the bonds, together
34 with the maximum rate of interest which the bonds are to bear,
35 and the right to petition for an election, to be published at

1 least once in a newspaper of general circulation within the
2 city, or unincorporated area, or entire county, as applicable,
3 at least ten days prior to the meeting at which it is proposed
4 to take action for the issuance of the bonds.

5 If at any time before the date fixed for taking action for
6 the issuance of the bonds, a petition signed by eligible
7 electors residing in the city or the unincorporated area of
8 the county where the tax is imposed equal in number to at
9 least three percent of the registered voters of the city or
10 unincorporated area of the county where the tax is imposed is
11 filed, asking that the question of issuing the bonds be
12 submitted to the registered voters of the city or
13 unincorporated area of the county where the tax is imposed,
14 the council or board of supervisors ~~acting-on-behalf-of-an~~
15 ~~unincorporated-area~~ shall either by resolution declare the
16 proposal to issue the bonds to have been abandoned or shall
17 direct the county commissioner of elections to call a special
18 election upon the question of issuing the bonds.

19 The proposition of issuing bonds under this section is not
20 approved unless the vote in favor of the proposition is equal
21 to a majority of the vote cast.

22 If no petition is filed, or if a petition is filed and the
23 proposition of issuing the bonds is approved at an election,
24 the council or board of supervisors ~~acting-on-behalf-of-an~~
25 ~~unincorporated-area~~ may proceed with the authorization and
26 issuance of the bonds.

27 Bonds may be issued for the purpose of refunding
28 outstanding and previously issued bonds under this subsection
29 without otherwise complying with this paragraph.

30 EXPLANATION

31 This bill authorizes the county to impose a countywide
32 hotel and motel tax at a rate of up to 4 percent. Present law
33 allows a local hotel and motel tax to be imposed up to 7
34 percent by a city in that city or by a county in the areas
35 outside of any city.