

Chapter 33

Room Tax Ordinance

Sec. 33-1 Authority

The Town Board of the Town of Dodgeville has the specific authority under § 66.0615(1m)(a), Wis. Stats, and general authority under its village powers to adopt this ordinance.

Sec. 33-2 Purpose

The purpose of this ordinance is to impose a tax on the privilege of furnishing at retail, rooms or lodging to transients by hotelkeepers, motel operators, lodging marketplace, owner of a short-term rental, and other persons furnishing accommodations that are available to the public. The Town of Dodgeville must spend at least 70 percent of the room tax collected on the tourism promotion and tourism development, as defined in Section 66.0615(1)(f), Wis. Stats., and that the remaining amount may be spent as general funds.

The Town of Dodgeville has researched the issue of implementing a room tax and has determined that the collection of such a tax would benefit the Town in its efforts to attract overnight travelers engaged in business, educational or recreational activities.

Sec. 33-3 Definitions

For the purpose of this ordinance, the following definitions are utilized:

- 1) *"Hotel" or "Motel."* Means a building or group of building in which the public may obtain accommodations for a consideration, including, without limitation, such establishments as inns, motels, tourist homes, tourist houses or courts, lodging houses, rooming houses, summer camps, apartment hotels, resort lodges and cabins and any other building or group of building in which accommodations are available to the public, except accommodations, including mobile homes defined in §101.91(10), Wis. Stats., manufactured homes as defined in §101.91(2) Wis. Stats., and recreational vehicles as defined in §340.01(48r), Wis. Stats., rented for a continuous period of more than one month and accommodations furnished by any hospitals, sanatoriums, or nursing homes, or by corporation or associates organized and operated exclusively for religious, charitable or educational purposes provided that no part of the net earnings of such corporations and associations inures to the benefit of any private shareholder or individual. [Ref. §66.0615(1)(b) & (c); §77.25(2)(a)1, Wis. Stats.]
- 2) *"Transient."* The meaning given in §77.52(2)(a)1, Wis. Stats.
- 3) *"Commission."* The Dodgeville Joint Room Tax Commission §66.0615(1m)(b)2., Wis. Stats.
- 4) *"Tourism."* The meaning given in §66.0615(1)(e), Wis. Stats.

- 5) *"Tourism Entity."* The meaning given in §66.0615(1)(f), Wis. Stats.
- 6) *"Dodgeville Tourism Zone."* The Dodgeville Tourism Zone means the geographical area encompassing the City of Dodgeville, Wisconsin; the Town of Dodgeville, Wisconsin; and that may in the future include any municipality that hereafter becomes a party to the Commission Agreement.
- 7) *"Operator."* Operator shall mean a hotelkeeper, motel operator, lodging marketplace, owner of a short-term rental, and other person furnishing accommodation that is available to the public, which is located in the Town and are obligated to pay room taxes under this Ordinance.
- 8) *"Commission Agreement."* Commission Agreement shall mean the Intergovernmental Agreement By and Between the City of Dodgeville and the Town of Dodgeville to Create a Joint Room Tax Commission and Tourism Zone, dated January 1st, 2025 as amended from time to time.

Sec. 33-4 Imposition of Tax

A tax is hereby imposed on the privilege of furnishing, at retail, rooms or lodging to transients by operators regardless of whether membership is required for the use of the accommodations. Such tax shall be at the rate of 8 percent of the sales price of the rooms or lodging. Such tax shall not be subject to the selective tax imposed by §77.52(2)(a)1. Wis. Stats., and may not be imposed on sales to the Federal government or persons listed under §77.54(9a), Wis. Stats.

Sec. 33-5 Collection of Tax and Reporting Requirements

The tax imposed in this section shall be paid on a quarterly basis, with the quarters of the year ending on March 31, June 30, September 30 and December 31 of each year.

Operators subject to the tax shall file a room tax return within 30 days after the end of each quarter and shall pay the applicable tax with the return. All returns and payments of room taxes shall be filed with and made to the Clerk-Treasurer. The room tax return forms shall be as prescribed by the Clerk-Treasurer.

Sec. 33-6 Allocation of Tax

Funds received from the room tax shall be allocated and used as follows:

- 1) Thirty percent of the total amount collected shall be retained by the Town as reimbursement for the costs of administering and overseeing the room tax program and for community projects.
- 2) Seventy percent of the total amount collected shall be paid to the Commission, to be used only to promote and develop tourism in the Dodgeville Tourism Zone.

Sec. 33-7 Tourism Entity

The Tourism Entity shall provide staff, support services and assistance to the Commission in developing and implement programs to promote the Dodgeville Tourism Zone to visitors, as fully set forth in an agreement between Commission and the Tourism Entity. The Tourism Entity may also hold and administer the room tax on behalf of the Commission in furtherance of the purpose of the room tax.

Sec. 33-8 Administration.

The Clerk/Treasurer shall administer the room tax program. Payments to the Commission shall be made by the Clerk-Treasurer within 45 days after receipt of room tax proceeds. The Clerk-Treasurer shall prepare an annual report to the Town board by March 15 of each year showing the total amounts collected and the disbursement of such amounts as heretofore provided.

Sec. 33-9 Permit and Liability for Room Tax

Every operator subject to the tax shall file an application with the Clerk/Treasurer for a permit to operate a hotel or motel within the Town within 15 days of the effective date of this Ordinance or at least 30 days prior to the commencement of operation of a hotel or motel within the Town. The application shall be upon a form prescribed by the Clerk-Treasurer and shall set forth the name under which the applicant transacts or intends to transact business, the location of the place of business, and such other information as the Clerk-Treasurer requires. The application shall be signed by the owner if a sole proprietor and, if not a sole proprietor, by the person authorized to act on behalf of the owner. The permit shall not be assignable and shall be valid only for the person in whose name it is issued and only for the place designated in the permit and shall expire when the hotel or motel for which it is issued ceases business. The permit shall be displayed in a public place on the premises.

The operator to whom a permit has been issued shall be liable for any and all amounts of tax imposed under this section. Upon termination of business by any operator to whom a permit is issued, any tax for that portion of the quarter in which the business was operated shall become immediately due and payable, and any tax due must be paid before a permit may be issued to any operator to operate a hotel or motel at the same location.

The obligations under this section are independent of the obligations and responsibilities of operators under the remainder of this Chapter.

Sec. 33-10 Determination of tax by audit.

Whenever the Town has probable cause to believe that the correct amount of room tax has not been assessed or that the return of any operator to whom a permit has been issued is not correct, the Clerk-Treasurer or his/her designee may inspect and/or audit the financial records of such operator and shall determine and assess the correct tax due.

Sec. 33-11 Failure to file return

If any operator required to make a return fails, neglects or refuses to do so for the amount, in the manner and form, and within the time prescribed, the Clerk-Treasurer shall make, according to his or her best judgment, an estimate of the amount of the gross receipts received by such person and shall compute and assess the amount of tax required to be paid,, based upon such estimate. No refund or modification of the payment determined may be granted until such operator files a correct room tax return and permits the Town to inspect and audit his or her financial records under sub (h) above.

Sec. 33-12 Delinquent Room Taxes

All delinquent room taxes shall bear interest at the rate of 1 percent per month for every month or portion of a month during which such taxes are delinquent. No interest shall be payable by the Town on overpayments of tax. All interest collected under this section shall be retained by the Town.

Sec. 33-13 Confidentiality

All returns and other information provided by any operator under this section shall be confidential and may be disclosed by the Clerk-Treasurer only to the following: the operator who filed the return or his or her authorized agents, successor and assigns; persons using the information in the discharge of the duties of their office or in the discharge of duties imposed upon them by law; any person designated by court order. This disclosure prohibition does not include the dissemination by the Clerk-Treasurer of aggregate amounts of tax received from all hotels and motels within the Town.

Sec. 33-14 Revocation of Permit and Operation of Hotel or Motel Without Permit

No person may operate a hotel or motel within the Town without the permit required by this section. Enforcement of this prohibition may be by application to the appropriate court for an injunction or other lawful relief or by any other means provided by law.

Any permit required under this section may be revoked by the Town Board upon written notice to the operator to whom it was issued for one or more of the following reasons:

- 1) Failure to file a return or pay the tax due within 45 days after the due date for filing the return and payment of the tax.
- 2) Filing a return which contains false information.
- 3) Refusing to permit the Town to inspect and audit the financial records of the operator subject to the tax.

Sec. 33-15 Penalties for Certain Violations

Any operator who fails to comply with a request to inspect and audit such operator financial

records as provided in sub. (i) above shall be subject to a forfeiture not to exceed 5 percent of the tax imposed under sub. (b) above, plus court costs and assessments. The forfeiture schedule is as follows:

- 1) Failure to comply for one to 7 days, 1 percent.
- 2) Failure to comply for 8 to 14 days, 2 percent.
- 3) Failure to comply for 15 to 21 days, 3 percent.
- 4) Failure to comply for 22 to 28 days, 4 percent.

Any person who fails to pay the room tax due under sub. (b) or (j) above shall be subject to a forfeiture in the amount of 25 percent of the room tax due for the previous year or \$5,000, whichever is less, plus court costs and assessments.

Any person who violates either sub. (l) or (m)(1) above shall be subject to a forfeiture of not less than \$100.00 nor more than \$500.00, plus court costs and assessments. The bond amount for a first offense shall be \$100.00 and the bond amount shall be \$250.00 for the second and subsequent offenses. Court costs and assessments shall be added to these amounts.

Sec. 33-16 Effective Date

This ordinance shall become effective on January 1, 2025 or upon its publication and/or posting in the manner set forth in ss 60.80 Wis. Stats, whichever is later. Chapter 33 was adopted by the Town of Dodgeville Town Board on December 3, 2024.


Chairman

 Clerk-Treasurer
Attest: Town Clerk/Treasurer