

TOWN OF PHELPS
Vilas County, Wisconsin

Ordinance 2023-01
Amended 08/14/2024
ROOM TAX ORDINANCE

The Town Board of the Town of Phelps do ordain as follows:

Section 1: The Room Tax Ordinance of the Town of Phelps is hereby created under the authority of Wis. Stat. § 66.0615 to provide as follows:

§ 1 Definitions.

The definitions contained in Wis. Stat. § 66.0615(1), and as from time to time they are amended, are hereby adopted by reference and incorporated into this Ordinance as if fully set forth herein.

§ 2 Imposition of tax; exemptions.

- A. Pursuant to Wis. Stat. § 66.0615, a tax is hereby imposed on the sales price from selling or furnishing, at retail, except sales for resale, rooms or lodging to transients by hotelkeepers, motel operators, marketplace providers, owners of short-term rentals, and other persons or retailers selling or furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the accommodations.
- B. Such tax shall be at the rate of 2.50% of the sales price in 2025 and 4.5% of the sales price in 2026.
- C. A tax imposed under this Ordinance may be collected from the consumer or user, but may not be imposed on sales to the federal government and persons listed under Wis. Stat. § 77.54(9a). However, an exemption shall apply only under the following conditions:
 - (1) The retailer shall bill the lodging in the name of the exempt entity; and
 - (2) The retailer must retain proof of the exemption, such as the applicable certificate of exempt status number.

§ 3 Collection and distribution of tax.

- A. For the tax imposed for each calendar quarter, or the first partial calendar quarter for which imposed, a return shall be filed with the Town Treasurer by those subject to this Ordinance.

- B. Each return for a quarter is due within 10 days of the last day of that quarter.
- C. Returns shall show the applicable sales price(s) of the preceding calendar quarter, the amount of taxes imposed for such period, and such other information as the Town deems necessary.
- D. The 30% portion of room tax collected and retained by the Town, that may be used for purposes other than tourism promotion and tourism development, shall be deposited into the Town's general fund.
- E. The 70% portion of room tax collected that must be spent on tourism promotion and tourism development shall be forwarded to the Town Tourism Commission or the Phelps Chamber of Commerce.

§ 4 Audit.

- A. If the Town Treasurer has probable cause to believe that the correct room tax has not been assessed or that the tax return is not correct, the Treasurer may inspect and audit records of anyone subject to this Ordinance pertaining to the furnishing of accommodations to determine the correct amount of room tax due.
- B. A determination under Subsection A herein above shall be provided in writing within 4 years after the due date of the return, unless no return has been filed.
- C. For failure to comply with a request to inspect and audit financial records, the Town may impose a forfeiture in the amount of 5% of the room tax determined to be due for collection.

§ 5 Failure to file.

- A. For failure, neglect, or refusal to make a room tax return in the manner, form, and within the time prescribed by the Town, the Town shall determine the amount of room tax due according to its best judgment.
- B. Each person subject to Subsection A herein above shall be required to pay an amount of room tax that the Town Treasurer determines to be due under Subsection A plus interest at the rate of 1% per month on the unpaid balance. No refund or modification of the payment determined shall be granted until a correct room tax return has been filed and the Town Treasurer is permitted to inspect and audit records under § 4 above.

§ 6 Failure to pay.

If anyone subject to this Ordinance fails to pay the room tax, the Town may impose a forfeiture not to exceed 25% of the room tax due for the previous year or \$5,000, whichever is less.

§ 7 Records; confidential information.

Information obtained under §§ 4, 5, and 6 above shall remain confidential except for persons using such information in the discharge of duties imposed by law or of the duties of their office or by order of a court. Any statistics published by the Town shall be classified so as not to disclose the identity of particular returns. Violations of this Section may result in a forfeiture of not less than \$100 nor more than \$500.

§ 8 Tourism Commission or Phelps Chamber of Commerce.

- A. The Town Tourism Commission, if applicable, shall consist of five members appointed by the Town Chairperson and confirmed by a majority of the Town Board present and voting. One of the commission or chamber members shall represent the Wisconsin hotel and motel industry.
- B. All vacancies on the Town Tourism Commission or Phelps Chamber of Commerce shall be filled for the unexpired term in the same manner as an appointment for the full term.
- C. The Town Tourism Commission or Phelps Chamber of Commerce shall elect a chairperson, vice chairperson and secretary from among its members.
- D. The Town Tourism Commission or Phelps Chamber of Commerce shall meet regularly and have the powers and duties prescribed to it by Wis. Stat. § 66.0615, including:
 - (1) The duty to contract with a tourism entity for destination marketing staff and services for the tourism industry in the Town. The commission or chamber shall contract with another organization to perform the functions of a tourism entity if no tourism entity exists in the Town.
 - (2) A commission or chamber shall monitor the collection of room taxes in the Town and shall report any delinquencies or inaccurate reporting to the Town.
 - (3) Utilize the room tax revenue it receives from the Town for tourism promotion and tourism development in the Town.
 - (4) Report annually to the Town the purposes for which the room tax revenues were spent.
 - (5) Annually, on or before May 1, on a form created and provided by the Wisconsin Department of Revenue ("DOR"), certify and report to the DOR the information required under Wis. Stat. § 66.0615(4).

Section 2: If any provision of this Ordinance is invalid or unconstitutional or if the application of this Ordinance to any person or circumstance is found invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the provision or application of this Ordinance that can be given effect without the invalid or unconstitutional provision or application.

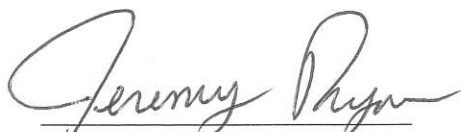
Section 3: All ordinances and/or parts of ordinances in conflict herewith are hereby repealed.


Section 4: This Ordinance shall be in full force and effect commencing on January 1, 2025 after notice to the public as required by law.


Adopted this 14th day of August 2024.

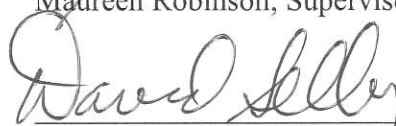
TOWN OF PHELPS



Steven Doyen, Chairman


Jeremy Ryan, Supervisor


Maureen Robinson, Supervisor


Steve Waier, Supervisor


David Selby, Supervisor

Attest: 
Sheryl Ward, Clerk

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