

**ORDINANCE NO. 495
(AS AMENDED THROUGH 495.7)
AN ORDINANCE OF THE COUNTY OF RIVERSIDE AMENDING ORDINANCE
NO. 495 RELATING TO TRANSIENT OCCUPANCY TAX**

The Board of Supervisors of the County of Riverside, State of California, Ordains as Follows:

Section 1. TITLE. This ordinance shall be known as the Uniform Transient Occupancy Tax Ordinance of the County of Riverside.

Section 2. DEFINITIONS. Except where the context otherwise requires, the definitions given in this section govern the construction of this ordinance:

- a. **Person.** "**Person**" means any individual, firm, partnership, joint venture, association, social club, fraternal organization, joint stock company corporation, estate, trust, business trust, receiver, trustee, syndicate, or any other group or combination acting as a unit.

- b. **Hotel.** "**Hotel**" means any structure, or any portion of any structure, which is occupied or intended or designed for occupancy by transients for dwelling, lodging or sleeping purposes, and includes any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobilehome or house trailer at a fixed location or other similar structure or living space or portion thereof.

"**Hotel**" does not mean any of the following: Any hospital, sanitarium, medical clinic, convalescent home, rest home, home for the aged people, foster home, or other similar facility operated for the care or treatment of human beings; any asylum, jail, prison, orphanage or other facility in which human beings are detained and housed under legal restraint; any housing owned or controlled by an educational institution and used exclusively to house students, faculty or other employees, and any fraternity or sorority house or similar facility occupied exclusively by students and employees of such educational institutions, and officially recognized or approved by it; any housing operated or used exclusively for religious, charitable or educational purposes by an organization having qualifications for exemption from property taxes under the laws of California; any housing owned by a governmental agency and used to house its employees or for governmental purposes; any camp as defined in the Labor Code or other housing furnished by an employer exclusively for employees; any private dwelling house or other individually owned single family dwelling unit rented only occasionally and incidentally to the normal occupancy by the owner or his family; provided that the burden of establishing that the housing or facility is not a hotel or other lodging as defined herein shall be upon the operator thereof, who shall file with the Tax Collector such information as the Tax Collector may require to establish and maintain such status."

- c. **Occupancy.** "**Occupancy**" means the use or possession, or the right to the use or possession of any room or rooms or portion thereof, in any hotel for dwelling,

lodging or sleeping purposes.

- d. **Transient.** "Transient" means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of 30 consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel shall be deemed to be a transient until the period of 30 days has expired unless there is an agreement in writing between the operator and the occupant providing for a longer period of occupancy. In determining whether a person is a transient, uninterrupted periods of time extending both prior and subsequent to the effective date of this ordinance may be considered.
- e. **Rent.** "Rent" means the consideration charged, whether or not received, for the occupancy of space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature, without any deduction therefrom whatsoever.
- f. **Operator.** "Operator" means the person who is the proprietor of the hotel, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee, or any other capacity. Where the operator performs his functions through a managing agent of any type or character other than an employee, the managing agent shall also be deemed an operator for the purposes of this Ordinance and shall have the same duties and liabilities as his principal. Compliance with the provisions of this Ordinance by either the principal or the managing agent shall, however, be considered to be compliance by both.
- g. **Tax Collector.** "Tax Collector" means the Tax Collector of the County of Riverside and includes his deputies, agents, and employees.

Section 3. TAX IMPOSED. For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of "10%" of the rent charged by the operator. Said tax constitutes a debt owned by the transient to the county which is extinguished only by payment to the operator or to the county. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel. If for any reason the tax due is not paid to the operator of the hotel, the Tax Collector may require that such tax shall be paid directly to the Tax Collector.

Section 4. EXEMPTIONS. No tax shall be imposed upon any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty. No exemption shall be granted except upon written claim therefor made under penalty of perjury at the time the rent is paid, upon a form prescribed by the Tax Collector. Federal, State and local officers and employees are not exempt.

Section 5. OPERATOR'S DUTIES. Each operator shall collect the tax imposed by this ordinance to the same extent and at the same time as the rent is collected from every transient. The amount of tax shall be separately stated from the amount of the rent

charged, and each transient shall receive a receipt for payment from the operator. No operator of a hotel shall advertise or state in any manner, whether directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, if added, any part will be refunded except in the manner hereinafter provided.

Section 6. REGISTRATION. Within thirty (30) days after the effective date of this Ordinance, or within thirty (30) days after commencing business, whichever is later, each operator of any hotel renting occupancy to transients shall register said hotel with the Tax Collector and obtain from him a "Transient Occupancy Registration Certificate" to be at all times posted in a conspicuous place on the premises. Said certificate shall, among other things, state the following:

1. The name of the operator;
2. The address of the hotel;
3. The date upon which the certificate was issued;
4. "This Transient Occupancy Registration Certificate signifies that the person named on the face hereof has fulfilled the requirements of the Uniform Transient Occupancy Tax Ordinance by registering with the Tax Collector for the purpose of collecting from transients and remitting said tax to the Tax Collector. This certificate does not authorize any person to conduct any unlawful business or to conduct any lawful business in an unlawful manner, nor to operate a hotel without strictly complying with all local applicable laws, including but not limited to those requiring a permit from any board, commission, department or office of this County. This certificate does not constitute a permit."

Section 7. REPORTING AND REMITTING. Each operator shall, on or before the last day of the month following the close of each calendar quarter, or at the close of any shorter reporting period which may be established by the Tax Collector, make a return to the Tax Collector, on forms provided by him, of the total rents charged and received and the amount of tax collected for transient occupancies. At the time the return is filed, that full amount of the tax collected shall be remitted to the Tax Collector. The Tax Collector may establish shorter reporting periods for any certificate holder if he deems it necessary in order to insure collection of the tax and he may require further information in the return.

Returns and payments are due immediately upon cessation of business for any reason. All taxes collected by operators pursuant to this ordinance shall be held in trust for the account of the county until payment thereof is made to the Tax Collector.

Section 8. PENALTIES AND INTEREST.

- a. **Original Delinquency.** Any operator who fails to remit any tax imposed by this ordinance within the time required shall pay a penalty of 10% of the amount of the tax in addition to the amount of the tax.
- b. **Continued Delinquency.** Any operator who fails to remit any delinquent remittance on or before the first day of the next calendar month following the date on which the remittance first became delinquent shall pay a second delinquency penalty of 10% of the amount of the tax in addition to the amount of the tax and the 10% penalty first imposed.
- c. **Fraud.** If the Tax Collector determines that the nonpayment of any remittance due

under this ordinance is due to fraud, a penalty of 25% of the amount of the tax shall be added thereto in addition to the penalties stated in paragraphs (a) and (b) of this section.

- d. **Interest.** In addition to the penalties imposed, any operator who fails to remit any tax imposed by this ordinance shall pay interest at the rate of one-half of 1% per month or fraction thereof on the amount of the tax, exclusive of penalties, from the date on which the remittance first became delinquent until paid.
- e. **Penalties Merged With Tax.** Every penalty imposed and such interest as accrues under the provisions of this section shall become a part of the tax herein required to be paid.

Section 9. FAILURE TO COLLECT AND REPORT TAX. DETERMINATION OF TAX BY TAX COLLECTOR. If any operator shall fail or refuse to collect said tax and to make, within the time provided in this ordinance, any report and remittance of said tax or any portion thereof required by this ordinance, the Tax Collector shall proceed in such manner as he may deem best to obtain facts and information on which to base his estimate of the tax due. As soon as the Tax Collector shall procure such facts and information as he is able to obtain upon which to base the assessment of any tax imposed by this ordinance and payable by any operator who has failed or refused to collect the same and to make such report and remittance, he shall proceed to determine and assess against such operator the tax, interest and penalties provided for by this ordinance. In case such determination is made, the Tax Collector shall give a notice of the amount so assessed by serving it personally or by depositing it in the United State mail, postage prepaid, addressed to the operator so assessed at his last known place of address. Such operator may within 10 days after the serving or mailing of such notice make application in writing to the Tax Collector for a hearing on the amount assessed. If application by the operator for a hearing is not made within the time prescribed, the tax, interest and penalties, if any, determined by the Tax Collector shall become final and conclusive and immediately due and payable. If such application is made, the Tax Collector shall give not less than 5 days written notice in the manner prescribed herein to the operator to show cause at a time and place fixed in said notice why said amount specified therein should not be fixed for such tax, interest and penalties. At such hearing, the operator may appear and offer evidence why such specified tax, interest and penalties should not be so fixed. After such hearing the Tax Collector shall determine the property tax to be remitted and shall thereafter give written notice to the person in the manner prescribed herein of such determination and the amount of such tax, interest and penalties. The amount determined to be due shall be payable after 15 days unless an appeal is taken as provided in Section 10.

Section 10. APPEAL. Any operator aggrieved by any decision of the Tax Collector with respect to the amount to such tax, interest and penalties, if any, may appeal to the Board of Supervisors by filing a notice of appeal with the County Clerk within 15 days of the serving or mailing of the determination of tax due. The Board of Supervisors shall fix a time and place for hearing such appeal, and the County Clerk shall give notice in writing to such operator at his last known place of address. The findings of the Board of Supervisors shall be final and conclusive and shall be served upon the appellant in the manner prescribed above for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of notice.

Section 11. RECORDS. It shall be the duty of every operator liable for the collection and payment to the county of any tax imposed by this ordinance to keep and preserve, for a period of three years, all records as may be necessary to determine the amount of such tax as he may have been liable for the collection of and payment to the county, which records the Tax Collector shall have the right in inspect at all reasonable times.

All tax returns and information furnished by any operator pursuant to this ordinance shall be confidential and shall not be open to public inspection nor the specific contents thereof disclosed by any officer or employee except as necessary in the performance of official duty pursuant to this ordinance, or in the course of any proceeding, hearing or litigation involving the existence or amount of the tax liability of such operator or with the written consent of the operator or his authorized representative.

Section 12. REFUNDS.

- a. Whenever the amount of any tax, interest or penalty has been overpaid or paid more than once or has been erroneously or illegally collected or received by the county under this ordinance it may be refunded as provided in paragraphs (b) and (c) of this section provided a claim in writing therefor, stating under penalty of perjury the specific grounds upon which the claim is founded, is filed with the Tax Collector within three years of the date of payment. The claim shall be on forms furnished by the Tax Collector.
- b. An operator may claim a refund or take as credit against taxes collected and remitted the amount overpaid, paid more than once or erroneously or illegally collected or received when it is established in a manner prescribed by the Tax Collector that the person from whom the tax has been collected was not a transient; provided, however, that neither a refund nor a credit shall be allowed unless the amount of the tax so collected has either been refunded to the transient or credited to rent subsequently payable by the transient to the operator.
- c. A transient may obtain a refund of taxes overpaid or paid more than once or erroneously or illegally collected or received by the County by filing a claim in the manner provided in paragraph (a) of this section, but only when the tax was paid by the transient directly to the Tax Collector, or when the transient having paid the tax to the operator, establishes to the satisfaction of the Tax Collector that the transient has been unable to obtain a refund from the operator who collected the tax.
- d. No refund shall be paid under the provisions of this section unless the claimant establishes his right thereto by written records showing entitlement thereto.

Section 13. ACTIONS TO COLLECT. Any tax required to be paid by any transient under the provisions of this ordinance shall be deemed a debt owed by the transient to the county. Any such tax collected by an operator which has not been paid to the county shall be deemed a debt owed by the operator to the county. Any person owing money to the county under the provisions of this ordinance shall be liable to an action brought in the name of the County of Riverside for the recovery of such amount.

Section 14. VIOLATIONS; MISDEMEANOR. Except for failure of an operator to pay to the Tax Collector taxes collected under this ordinance which is punishable as a felony pursuant to Section 424 of the Penal Code, every violation of this ordinance is a misdemeanor and punishable by a fine not exceeding \$500 or imprisonment in the county jail for not more than 6 months or by both such fine and imprisonment.

Any operator or other person who fails or refuses to register as required herein, or to furnish any return required to be made, or who fails or refuses to furnish a supplemental return or other data required by the Tax Collector, or who renders a false or fraudulent return or claim, is guilty of a misdemeanor, and is punishable as aforesaid. Any person required to make, render, sign or verify any report or claim who makes any false or fraudulent report or claim with intent to defeat or evade the determination of any amount due required by this ordinance to be made, is guilty of a misdemeanor and is punishable as aforesaid.

Section 15. SEVERABILITY. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance or any part thereof is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance or any part thereof. The Board of Supervisors hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional.

Section 16. EFFECTIVE DATE. This ordinance shall be effective immediately upon adoption in accordance with Government Code Section 25123(c).

- Adopted:** 495 06/15/1964 (Eff: 07/15/1964)
- Amended:** 495.1 08/24/1964 (Eff: 09/24/1964)
- 495.2 05/06/1968 (Eff: 07/01/1968)
- 495.3 05/22/1973 (Eff: 07/01/1973)
- 495.4 08/29/1978 (Eff: 10/1/1978)
- 495.5 Item 3.7 of 07/10/1990 (Eff: 10/1/1990)
- 495.6 Item 12.4 of 11/30/1993 (Eff: 12/30/1993)
- 495.7 Item 3.26 of 06/06/1995 (Eff: 06/6/1995)