



377 J STREET CRESCENT CITY, CALIFORNIA 95531-4025

Administration/Finance: 707-464-7483
Utilities: 707-464-6517

Public Works/Planning: 707-464-9506
FAX: 707-465-4405

Business License and TOT Requirements For Hotels, Motels, Vacation Homes, RV Parks, and Other Lodging

Thank you for choosing to open your business in Crescent City. This packet will assist you in meeting the requirements for business licensing and the collection of Transient Occupancy Tax (commonly called TOT, "hotel tax," or "bed tax.")

Included in this packet:

1. Business license application
2. TOT registration
3. TOT return forms
4. TOT Municipal Code
5. TOT audit procedures

Please review the materials enclosed and submit your business license application and TOT registration to the City promptly.

- If you have questions about your business license, contact Morgan Love at 707-464-7483 ext. 221 or mlove@creascentcity.org.
- If you have questions about TOT, contact Bridget Lacey at 707-464-7483 ext. 237 or blacey@creascentcity.org.
- Information about the City, including the Municipal Code, is available on our website at www.creascentcity.org.



BUSINESS LICENSE APPLICATION
CITY OF CRESCENT CITY
 377 J STREET
 CRESCENT CITY, CA 95531
 PH: 707-464-7483 FAX: 707-465-4405
www.crescentcity.org

Application for:
 New Business
 Change of Ownership
 Change of Business Location
 Change of Business Name
 Add/Change Business Description

BUSINESS INFORMATION

IMPORTANT: This application is for those with a physical location, in which they conduct business, within Crescent City's limits. Please use the "non-resident" business license application if this does not apply. INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

Business Name (DBA) _____
 This name appears on your business license

Address/Location _____
 Business location must be a physical location within City Limits

City, State, Zip _____

Mailing Address _____
 If different from business location

City, State, Zip _____

email address _____ **FAX:** _____

Phone #1 _____ **Phone #2** _____

Business Start Date* _____
 *start date implies the date this business license is to become effective

Business activity must be described in detail:

Is your business run out of your home? Yes No (check one)

If YES, will there be employees or customers in your home? Yes No (check one)

Does your business involve preparation of food or beverages? * Yes No (check one)
 *If YES, you must provide an approved health certificate which can be acquired through the County Health Dept

OWNERSHIP INFORMATION

Business Ownership Type: <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Other: (describe) _____	1st Owner Name _____ or Corporate Name
	2nd Owner Name _____ Additional Owners _____ <input type="checkbox"/> Owner is a Veteran <input type="checkbox"/> Organization is Non-Profit If you have checked either box please provide a copy of your DD Form 214 or your proof of non-profit status to have fees waived.

Number of Positions including Owner (use full-time equivalents*) _____
 *full-time equivalents allows each employee up to 2080 work hours per year

FINANCE DEPARTMENT USE ONLY

BUSINESS LICENSE # _____			CUSTOMER # _____
Exempt _____	Annual _____	Pro-rated _____	Period, if pro-rated _____
Class _____	\$ _____	\$ _____	From _____
# of Employees _____	\$ _____	\$ _____	To _____
SB1186 _____	\$ 4.00	\$ 4.00	<div style="border: 1px solid black; padding: 5px;"> SB1186 is a \$4.00 annual fee not subject to pro-ration. </div>
Non-resident _____	\$ _____	\$ _____	
TOTAL _____	\$ _____	\$ _____	
Receipt No _____	Receipt Date _____	Date Invoiced for initial fees: _____	

If you checked any of the following boxes, additional information may be required:

- My business will involve the sale of second hand property.
- My business will involve the sale of firearms.
- My business will involve the operation of a card room.
- My business will involve auctions.

If any of these conditions apply, please contact the Planning Department at (707)464-7483 ext. 226 to determine what additional information and/or requirements may have to be provided and/or met.

Identification Numbers (at least one identification number must be provided):

Social Security Number (SSN) - if sole proprietorship without FEIN	
Federal Employer (FEIN)	
Board of Equalization - Sellers Permit (if applicable)	
Contractor's License Number (if applicable)	
Other License Number	
Type	
License Number	
Expiration Date	

WORKERS' COMPENSATION DECLARATION-MUST BE SIGNED & COMPLETED

Check applicable box and sign declaration:

I hereby affirm, under penalty of perjury, one of the following declarations:

- I have and will maintain a certificate of consent to self-insure for workers' compensation as provided by Section 3700 of the Labor Code for the duration of any business activities conducted for which this license is issued.
- I have and will maintain workers' compensation insurance as required by Section 3700 of the Labor Code.

Policy Number: _____ Insurance Carrier: _____

- I certify that in the performance of any business activities for which this license is issued, I shall not employ any person in any manner so as to become subject to the workers' compensation laws of the State of California. I agree that if I should become subject to the workers' compensation provisions of Section 3700 of the Labor Code, I shall forthwith comply with the provisions of Section 3700.

Name, Printed _____

Signature _____

Date _____

CERTIFICATION-MUST BE SIGNED & COMPLETED

I, the undersigned, in applying for a business license from the City of Crescent City, Certify under penalty of perjury that the information included with this application is true and accurate. I also understand that issuance of a City business license does not authorize a person to conduct an unlawful business or to conduct a business that is not in compliance with all other rules, regulations and statutes of the State of Local governments.

Name, Printed _____	Title _____
Signature _____	Date _____

SB1186

On September 19, 2012 Governor Brown signed into law SB-1186 which adds a state fee of \$4 on any applicant for a local business license or similar instrument or permit, or renewal thereof. The purpose is to increase disability access and compliance with construction-related accessibility requirements and to develop educational resources for businesses in order to facilitate compliance with federal and state disability laws, as specified.

Under federal and state law, compliance with disability access laws is a serious and significant responsibility that applies to all California building owners and tenants with buildings open to the public. You may obtain information about your legal obligations and how to comply with disability access laws at the following agencies:

- The Division of the State architect at www.dgs.ca.gov/dsa/Home.aspx
- The Department of Rehabilitation at www.rehab.cahwnet.gov
- The California Commission on Disability Access at www.ccda.ca.gov

PLEASE COMPLETE THE FOLLOWING INFORMATION TO THE BEST OF YOUR ABILITY

ZONING INFORMATION

What zone is this business in? _____

Is this business allowed in this zone? NO YES, no permit required YES, with a permit

What is permit application status? _____

Is this business in the Coastal Zone? NO YES

If yes, what actions are required? _____

REQUIRED PARKING

City parking requirements are based on the gross floor size or lot area of your business. If you have questions, contact the Planning Department at (707)464-7483 ext 226 to determine the number, size and type of spaces needed.

Floor area of your business: _____ square feet

Total number of off-street parking spaces provided exclusively for your business: _____

Condition -- Paved Striped Gravel Other _____

SIGN PERMITS

Most new businesses will need new signs, and new signs require a sign permit. Check with the Planning Department at (707)464-7483 ext 226 for specific requirements and to obtain Sign Permits.

HAZARDOUS MATERIALS INFORMATION

If any of the following equipment or material is required for the proposed use, please indicate size, type and amount:

Acid	_____	Flammables	_____
Chemical solvents	_____	Parts washer	_____
Clarifier	_____	Spray booth or painting	_____
Explosives	_____	Equipment requiring	_____
Grease trap	_____	cooling water	_____

Comments or information: _____

GENERAL INFORMATION

Please indicate whether this is: change of use , newly constructed building , change of business occupant , additional occupant , or change of ownership . Former use, if known: _____.

Are any modifications to the building needed? Outside Inside Estimated cost _____

Comments, if any _____

Are entry and toilet facilities Handicapped Accessible? Yes No

Type of Sewer Account: Light Commercial , Heavy Commercial , Residential ,

Pretreatment Program Required: Yes No

Property has multiple units intended to rent out as my business(ex: motel) Yes No If yes, how many units? _____

CITY USE ONLY

			APN	_____
Planning Department approved?	Yes	No	Signed:	_____
Building Department approved?	Yes	No	Signed:	_____
Fire Department approved?	Yes	No	Signed:	_____
Health Certificate Received? (if applicable)	Yes	No	Signed:	_____

Notes:

Keep this page for your information and use

BUSINESS LICENSE APPROVALS CHECKLIST

SOME APPROVALS MAY NOT BE NECESSARY IF BUSINESS IS LOCATED IN YOUR HOME (INQUIRE AT TIME OF FILING APPLICATION)

City of Crescent City
377 J Street
Crescent City, CA 95531
(707)464-7483 EXT 221
www.crescentcity.org

This contact information may be needed for you to successfully receive all necessary approvals to obtain your business license. Please allow at least one business day after filing your application before contacting these departments to schedule inspections, etc. Once all approvals are submitted to the Account Clerk by the departments listed below an invoice will be mailed to you and once paid a license will be issued to you.

Planning

All Business Licenses require the approval of the Planning Department. Most Planning approvals are made internally and do not need to be scheduled. If there are any further inspections needed, the planning department will contact you. If you have questions, please direct them to (707)464-7483 EXT 226

Mandatory Inspections

BUILDING---(707)464-7483 EXT 228

The building department will require an inspection of your place of business to determine if all building requirements have been met. You may call and schedule this inspection.

My Notes:

FIRE---(707)464-2421

The fire department will require an inspection of your place of business when the location is ready for normal business operation to begin. You may call to schedule your inspection once your location is business ready.

My Notes:

Important Information for the Business License Applicant:

Upon completion of the business license application process (including completion of any necessary approvals) you will receive an invoice for any fees applicable. Fees are prorated quarterly. If your start date is mid fiscal year your initial fees will be prorated accordingly. **You will not receive your business license until those fees are paid in full.**

Any invoice that is not paid by the due date is subject to a 10% penalty each month for up to 50% of the total of the business license fees owed. Following the penalties if such fees are still delinquent you may be subject to an **administrative citation**. It is important that you keep in contact with our office if there are any changes which prevent you from paying.

Business licenses are renewed annually and expire June 30th each year. You will automatically receive a renewal invoice in the mail. Do not ignore this invoice if you have ceased business and do not plan to renew for the upcoming fiscal year. **It is the responsibility of the business owner to notify the City of Crescent City of the cease of your business.**

If there are any changes to your business such as:

- Location of Business
- Number of Employees
- Business Owner
- Business Name
- Mailing Address/ Contact Information
- If no longer doing business within our City Limits

It is your responsibility to notify the City of Crescent City's Business License Department of any such change as soon as possible.

DISABILITY ACCESS REQUIREMENTS AND RESOURCES

NOTICE TO APPLICANTS FOR BUSINESS LICENSES AND COMMERCIAL BUILDING PERMITS:

Under federal and state law, compliance with disability access laws is a serious and significant responsibility that applies to all California building owners and tenants with buildings open to the public. You may obtain information about your legal obligations and how to comply with disability access laws at the following agencies:

DEPARTMENT OF
GENERALSERVICES,
Division of the State
Architect, CASp Program

www.dgs.ca.gov/dsa

www.dgs.ca.gov/casp

DEPARTMENT OF
REHABILITATION
Disability Access Services

www.dor.ca.gov

www.rehab.cahwnet.gov/

disabilityaccessinfo

DEPARTMENT OF
GENERALSERVICES,
California Commission on
Disability Access

www.cdda.ca.gov

www.cdda.ca.gov/resources-menu/

CERTIFIED ACCESS SPECIALIST INSPECTION SERVICES

Compliance with state and federal construction-related accessibility standards ensures that public places are accessible and available to individuals with disabilities. Whether your business is moving into a newly constructed facility or you are planning an alteration to your current facility, by engaging the services of a Certified Access Specialist (CASp) early in this process you will benefit from the advantages of compliance and under the Construction-Related Accessibility Standards Compliance Act (CRASCA, Civil Code 55.51-55.545), also benefit from legal protections.

Although your new facility may have already been permitted and approved by the building department, it is important to obtain CASp inspection services after your move-in because unintended access barriers and violations can be created, for example, placing your furniture and equipment in areas required to be maintained clear of obstructions. For planned alterations, a CASp can provide plan review of your improvement plans and an access compliance evaluation of the public accommodation areas of your facility that may not be part of the alteration.

A CASp is a professional who has been certified by the State of California to have specialized knowledge regarding the applicability of accessibility standards. CASp inspection reports prepared according to CRASCA entitle business and facility owners to specific legal benefits, in the event that a construction-related accessibility claim is filed against them.

To find a CASp, visit www.apps2.dgs.ca.gov/DSA/casp/casp_certified_list.aspx.

DISABILITY ACCESS REQUIREMENTS AND RESOURCES

GOVERNMENT TAX CREDITS, TAX DEDUCTIONS AND FINANCING

State and federal programs to assist businesses with access compliance and access expenditures are available:

Disabled Access Credit for Eligible Small Businesses

FEDERAL TAX CREDIT—Internal Revenue Code Section 44 provides a federal tax credit for small businesses that incur expenditures for the purpose of providing access to persons with disabilities. For more information, refer to Internal Revenue Service (IRS) Form 8826: Disabled Access Credit at www.irs.gov.

STATE TAX CREDIT—Revenue and Taxation Code Sections 17053.42 and 23642 provide a state tax credit similar to the federal Disabled Access Credit, with exceptions. For more information, refer to Franchise Tax Board (FTB) Form 3548: Disabled Access Credit for Eligible Small Businesses at www.ftb.ca.gov.

Architectural and Transportation Barrier Removal Deduction

FEDERAL TAX DEDUCTION—Internal Revenue Code Section 190 allows businesses of all sizes to claim an annual deduction for qualified expenses incurred to remove physical, structural and transportation barriers for persons with disabilities. For more information, refer to IRS Publication 535: Business Expenses at www.irs.gov.

California Capital Access Financing Program

STATE FINANCE OPTION—The California Capital Access Program (CalCAP) Americans with Disabilities Act (CalCAP/ADA) financing program assists small businesses with financing the costs to alter or retrofit existing small business facilities to comply with the requirements of the federal ADA. Learn more at www.treasurer.ca.gov/cpcfca/calcap/.

FEDERAL AND STATE LEGAL REQUIREMENTS ON ACCESSIBILITY FOR INDIVIDUALS WITH DISABILITIES

AMERICANS WITH DISABILITIES ACT OF 1990 (ADA) —The ADA is a federal civil rights law that prohibits discrimination against individuals with disabilities, and requires all public accommodations and commercial facilities to be accessible to individuals with disabilities. Learn more at www.ada.gov.

CALIFORNIA BUILDING CODE (CBC)—The CBC contains the construction-related accessibility provisions that are the standards for compliant construction. A facility's compliance is based on the version of the CBC in place at the time of construction or alteration. Learn more at www.bsc.ca.gov.



City of Crescent City
Where the Redwoods Meet the Sea

377 J Street, Crescent City, CA 95531 • 707.464.7483 • Fax 707.465.4405 • www.crescentcity.org



Transient Occupancy Tax Registration

Business (Legal) Name: _____

Doing Business As: _____

Address: _____

Phone: _____

Fax: _____

Email: _____

City of Crescent City Business License #: _____

Hotel/Motel ____ B&B ____ RV Park ____ Vacation Home ____ Other _____

Owned by:

Individual ____ Partnership ____ Corporation ____ Other _____

Owners, Partners, or Officers:

Name	Title	Phone	Address

On-site Manager or Property Manager:

Name: _____

Address: _____

Phone: _____

Email: _____

Who should we contact about TOT? _____

For Hotel, Motel, or Bed and Breakfast (B&B):

List each type of room (Queen, King, suite, etc.) below. If you need additional lines, attach another page.

Type of Room	# of Rooms	Average Daily Rate - Winter	Average Daily Rate - Summer
Total # of Rooms			

For RV Park or Campground:

List each type of space below. If you need additional lines, attach another page.

Type of Space	# of Spaces	Short Term or Long Term?	Average Daily Rate - Winter	Average Daily Rate - Summer
Total # of Spaces				

For Vacation Home:

How many bedrooms and bathrooms? _____

Maximum number of people allowed: _____

Average daily rate: Winter _____ Summer _____

Signature

Title

Date



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Crescent City, CA 95531-4025

Administration/Finance: 707-464-7483

Public Works/Planning: 707-464-9506

Utilities: 707-464-6517

Fax: 707-465-4405

Transient Occupancy Tax Return

Business Name: _____ Reporting Period: _____
 DBA: _____ Due Date: _____
 Physical Address: _____ Customer #: _____

	Month 1	Month 2	Month 3
Total room nights rented			

(Each room rented times the number of nights rented in the month. Example: Room A rented 5 nights in October, Room B rented 10 nights in October, and Room C rented 10 nights in October, October total is 25 room nights.)

Line 1: Total rent charged (not including tax collected)

Line 2: Deductions

2a: Rent for occupancy in excess of 30 consecutive days by the same person

2b: Tax exempt rent (attach exemption copies)

2c: Total deductions (Line 2a + Line 2b)

Line 3: Taxable rent (Line 1 - Line 2c)

Line 4: Tax due (10% of Line 3)

If submitted to the City by the due date shown above, skip to Line 7. If late, complete Lines 5 through 6.

Line 5: Penalties

5a: If late, penalty is 10% of Line 4

5b: If more than 30 days late, additional penalty is another 10% of Line 4

5c: Total penalties (Line 5a + Line 5b)

Line 6: Interest (0.5% of Line 4 for each month or partial month late)

Line 7: Total due (Line 4 + Line 5 + Line 6)

Line 8: Deduct prior overpayments (attach documentation)

Line 9: Total paid (Line 7 - Line 8)

I declare under penalty of making a false statement, that to the best of my knowledge and belief, the information reported herein is correct and true.

Signature Required

Date

*Signed forms must be filed for each quarter, even if the business is temporarily closed or there is no taxable rent. **All items must be completed.***

Change of address, name, or ownership must be reported immediately to the City's Finance Department at the above address. If the business is disposed or suspended, a closing return must be filed immediately.

For additional information, please see the Muni Code (Title 3, Chapter 20) available from the City's website (www.crescentcity.org), or call the Finance Department at 707-464-7483.

Please make your check payable to: City of Crescent City.

Date: _____

Amount Received: _____

Received By: _____

Receipt #: _____



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Please make your check payable to: City of Crescent City.

Date: _____
 Amount Received: _____
 Received By: _____
 Receipt #: _____

Chapter 3.20 - TRANSIENT OCCUPANCY TAX

Sections:

3.20.010 - Definitions.

Except where the context otherwise requires, the definitions given in this section govern the construction of this chapter:

- A. "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 portion thereof, excluding mobilehomes in a mobilehome park and mobilehomes in which the tenant is an employee of the owner or operator of the mobilehome.
- B. "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.
- C. "Operator" means the person who is 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 chapter and shall have the same duties and liabilities as his principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall, however, be considered to be compliance by both.
- D. "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.
- E. "Tax administrator" means the finance director of the city, or his/her designee, who is charged with the administration of the tax.
- F. "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 thirty 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 thirty 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 March 31, 1965 may be considered.

(Ord. 653 § 5 (part), 1991; Ord. 565 § 7, 1980; prior code § 25-301).

3.20.020 - Tax imposed.

For the privilege of occupancy in any hotel, motel, guest lodging or bed and breakfast lodging, or for use of any campsite or recreational vehicle space in a campground or recreational vehicle park, each transient is subject to and shall pay a tax in a percentage amount established by city council resolution in effect on the date of occupancy. Campgrounds or recreational vehicle parks which lease property from the city shall pay either their lease payment or the transient occupancy tax, whichever is greater. Any resolution to modify this tax may only be adopted after a properly advertised public hearing on the matter is held by the city council.

(Ord. 594, 1983: prior code § 25-302).

3.20.030 - Exemptions.

A. No tax shall be imposed upon:

1. Any person as to whom, or any occupancy as to which, it is beyond the power of the city to impose the tax provided in this chapter;
2. Any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty.

B. No exemption shall be granted except upon a claim therefor made at the time rent is collected and under penalty of perjury upon a form prescribed by the tax administrator.

(Ord. 653 § 5 (part), 1991; prior code § 25-303).

3.20.040 - Collection and duties of operator.

Each operator shall collect the tax imposed by this chapter 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 provided in this chapter.

(Prior code § 25-304).

3.20.050 - Registration and certificate required.

Upon commencing business, each operator of any hotel renting occupancy to transient shall register such hotel with the tax administrator and obtain from him/ her a "Transient Occupancy Registration Certificate" to be at all times posted in a conspicuous place on the premises. Such certificate shall, among other things, state the following:

- A. The name of the operator;
- B. The address of the hotel;
- C. The date upon which the certificate was issued;
- D. "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 administrator for the purpose of collecting from transients the Transient Occupancy Tax and remitting said tax to the tax administrator. 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 City. This certificate does not constitute a permit."

(Ord. 653 § 5 (part), 1991).

3.20.060 - Reporting and remittance of tax.

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 administrator, make a return to the tax administrator, on forms provided by him/her, of the total rents charged and received and the amount of tax collected for transient occupancies. The operator shall accurately and fully complete such returns as are required by the tax administrator, as revised from time to time. At the time the return is filed, the full amount of the tax collected shall be remitted to the tax administrator. The tax administrator may establish shorter reporting periods for any certificate holder if he/she deems it

necessary in order to ensure timely collection of the tax and he/she 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 chapter shall be held in trust for the account of the city until payment thereof is made to the tax administrator.

(Ord. 653 § 5 (part), 1991).

3.20.070 - Failure to collect and report—Determination of tax by tax administrator.

If any operator fails or refuses to collect such tax and to make, within the time provided in this chapter, any report and remittance of the tax or any portion thereof required by this chapter, the tax administrator shall proceed in such manner as he/she may deem best to obtain facts and information on which to base his/her estimate of the tax due. As soon as the tax administrator shall procure such facts and information as he/she is able to obtain upon which to base the assessment of any tax imposed by this chapter and payable by any operator who has failed or refused to collect the same and to make such report and remittance, he/she shall proceed to determine and assess against such operator the tax, interest and penalties provided for by this chapter. In case such determination is made, the tax administrator shall give a notice of the amount so assessed by serving it personally or by depositing it in the United States mail, postage prepaid, addressed to the operator so assessed at his/her last known place of address. Such operator may within ten days after the serving or mailing of such notice, make application in writing to the tax administrator 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 administrator shall become final and conclusive and immediately due and payable. If such application is made, the tax administrator shall give not less than five days' written notice in the manner prescribed in this section to the operator to show cause at a time and place fixed in such notice why the amount specified therein should not be fixed for such tax, interest and penalties. At such hearing, the operator may appear and offer evidence why the specified tax, interest and penalties should not be so fixed. After the hearing, the tax administrator shall determine the proper tax to be remitted and shall thereafter give written notice to the person in the manner prescribed in this section of such determination and the amount of such tax, interest and penalties. The amount determined to be due shall be payable after fifteen days unless an appeal is taken as provided in Section 3.20.080.

(Ord. 653 § 5 (part), 1991).

3.20.080 - Appeals.

Any operator aggrieved by any decision of the tax administrator with respect to the amount of such tax, interest and penalties, if any, may appeal to the city council by filing a notice of appeal with the city clerk within fifteen days of the serving or mailing of the determination of the tax due. The city council shall fix a time and place for hearing such appeal, and the city clerk shall give notice in writing to such operator at his/her last known place of address. The findings of the city council shall be final and conclusive and shall be served upon the appellant in the manner prescribed in Section 3.20.070 for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of notice.

(Ord. 6453 § 5 (part), 1991).

3.20.090 - Records to be kept.

- A. Every owner, keeper or proprietor of any lodginghouse, roominghouse, motel or hotel shall keep a register wherein he/she shall require all guests, roomers or lodgers to inscribe their names upon their procuring lodging of a room or accommodations. The register shall also show the day, month and year when such name was inscribed and the room occupied, or to be occupied, by such lodger, roomer or guest in such lodginghouse, roominghouse, motel or hotel. The register shall be kept in a conspicuous place in the lodginghouse, roominghouse, motel or hotel, and shall at all times be open to inspection by any peace officer of the state and/or the tax administrator.
- B. Before furnishing any lodging for hire to any person(s) in any lodginghouse, or renting any room to any person(s) in any roominghouse, or furnishing any accommodations to any guest(s) at any motel

or hotel, the proprietor, manager or owner thereof shall require the person(s) to whom such lodgings are furnished, or room is rented, or accommodations furnished, to inscribe his/her/their name(s) in such register kept for that purpose as provided in subsection A of this section, and shall set opposite such name(s) the time when the name(s) was/were so inscribed, the room occupied by such lodger(s), roomer(s) or guest(s), and the license number and description of the vehicle such lodger(s), roomer(s) or guest(s) drove.

- C. It shall be the duty of every operator liable for the collection and payment to the city of any tax imposed by this chapter 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/she may have been liable for the collection of and payment to the city, which records the tax administrator shall have the right to inspect at all reasonable times. Such records shall be maintained at the operator's premises or shall be available for delivery to the tax administrator within one week after request. The records shall include at least the following:
1. Daily summaries of room occupancies;
 2. A record of each occupancy charge for which an exemption is claimed, including the name of the individual occupying the room, dates of occupancy, and reasons for exemption; and
 3. Lists of bad debts claimed for exemption, including names and addresses of the debtor(s) and the amount of room rent unpaid.

(Ord. 653 § 5 (part), 1991).

3.20.100 - 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 city under this chapter, it may be refunded as provided in subsections (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 administrator within three years of the date of payment. The claim shall be on forms furnished by the tax administrator.
- 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 administrator 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 city by filing a claim in the manner provided in subsection (A) of this section, but only when the tax was paid by the transient directly to the tax administrator or when the transient having paid the tax to the operator, established to the satisfaction of the tax administrator 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.

(Ord. 653 § 5 (part), 1991; prior code § 25-311).

3.20.110 - Debt owed to city—Liability for recovery.

- A. **Actions to Collect.** Any tax required to be paid by any transient under the provisions of this chapter shall be deemed a debt owed by the transient to the city. Any such tax collected by any operator which has not been paid to the city shall be deemed a debt owed by the operator to the city. Any person owing money to the city under the provisions of this chapter shall be liable to an action brought in the name of the city for the recovery of such amount.

- B. Recording Certificate—Lien. If any amount required to be paid to the city under this chapter is not paid when due, the tax administrator may within three years after the amount is due file for record in the office of the Del Norte county recorder a certificate specifying the amount of tax, penalties and interest due, the name and address as it appears on the records of the tax administrator of the operator liable for the same, and the fact that the tax administrator has complied with all provisions of this chapter in the determination of the amount required to be paid. From the time of the filing for record, the amount required to be paid, together with penalties and interest, constitutes a lien upon real property in the county owned by the operator or acquired by him afterwards and before the lien expires. The lien has the force, effect and priority of a judgment lien and shall continue for ten years from the time of filing of the certificate unless sooner released or otherwise discharged.
- C. Priority and Lien of Tax. The amounts required to be paid by any operator under this chapter with penalties and interest shall be satisfied first in any of the following cases:
1. Whenever the person is insolvent;
 2. Whenever the person makes a voluntary assignment of his/her assets;
 3. Whenever the estate of the person in the hands of executors, administrators or heirs is insufficient to pay all the debts due from the deceased; or
 4. Whenever the estate and effects of an absconding, concealed or absent person required to pay any amount under this chapter is levied upon by process of law.

This chapter does not give the city a preference over any recorded lien which was attached prior to the date when the amounts required to be paid became a lien.

- D. Warrant for Collection of Tax. At any time within three years after any operator is delinquent in the payment of any amount required under this chapter to be paid off after the recording of a lien under subsection B of this section, the tax administrator may issue a warrant for the enforcement of any liens and for the collection of any amount required to be paid to the city under this chapter. The warrant shall be levied and sale made pursuant to it in the same manner and with the same effect as a levy and a sale pursuant to a writ of execution. The tax administrator may pay or advance to the sheriff, marshal or constable, the same fees, commissions and expenses for his/her services as are provided by law for similar services pursuant to a writ of execution.
- E. Seizure and Sale. At any time within three years after any operator is delinquent in the payment of any amount, the tax administrator may forthwith collect the amount in the following manner: The tax administrator shall seize any property, real or personal, of the operator and sell the property, or sufficient part of it at public auction to pay the amount due together with any penalties and interest imposed for the delinquency and any costs incurred on account of the seizure and sale. Any seizure made to collect occupancy taxes due shall be only of property of the operator not exempt from execution under the provisions of the Code of Civil Procedure.
- F. Successor's Liability —Withholding by Purchaser. If any operator liable for any amount under this chapter sells out his/her business or quits the business, his/her successor and/or assignee shall withhold sufficient of the purchase price to cover such amount until the former owner produces a receipt stating that no amount is due.
- G. Liability of Purchaser —Release. If the purchaser of a hotel fails to withhold funds from the purchase price as required, he/she shall become personally liable for the payment of the amount required to be withheld by him/her to the extent of the purchase price, valued in money. Within sixty days after receiving a written request from the purchaser for a certificate, or within sixty days from the date the former owner's records are made available for audit, whichever period expires later, but in any event not later than ninety days after receiving the request, the tax administrator shall either issue the certificate or mail notice to the purchaser at his/her address as it appears on the records of the tax administrator of the amount that must be paid as a condition of issuing the certificate. Failure of the tax administrator to mail the notice shall release the purchaser from any further obligation to withhold purchase price as provided in this section. The time within which the obligation of the successor may

be enforced shall start to run at the time the operator sells his/her business or at the time that the determination against the operator becomes final, whichever occurs later.

- H. Liability of Seller. Sale of a hotel, dismissal of the operator or other termination of his/her rights to operate the facility shall not relieve him/her from liability for taxes due or owing under this chapter.

(Ord. 653 § 5 (part), 1991).

3.20.120 - Penalties and interest.

- A. Original Delinquency. Any operator who fails to remit any tax imposed by this chapter within the time required shall pay a penalty of ten percent 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 a period of thirty days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten percent of the amount of the tax in addition to the amount of the tax and the ten percent penalty first imposed.
- C. Fraud. If the tax administrator determines that the nonpayment of any remittance due under this chapter is due to fraud, a penalty of twenty-five percent of the amount of the tax shall be added thereto in addition to the penalties stated in subsections (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 chapter shall pay interest at the rate of one-half of one percent 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.

(Ord. 653 § 5 (part), 1991; prior code § 25.307).

3.20.130 - Violations—Misdemeanor.

Any person violating any provisions of this chapter is guilty of a misdemeanor and shall be punishable therefor by a fine of not more than five hundred dollars or by imprisonment for a period of not more than six months, or by both such fine and imprisonment.

Any operator or other person who fails or refuses to register as required under this chapter, 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 administrator, 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 chapter to be made, is guilty of a misdemeanor and is punishable as aforesaid.

(Ord. 653 § 5 (part), 1991).



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City of Crescent City TOT Audit Procedures

1. The Finance Department shall periodically audit the records of any business registered for TOT collection.
2. The purpose of these audits will be to educate the business owner/operator, to verify the accuracy and timeliness of TOT collection and remittance, and to assess additional tax, penalties, and interest as required.
3. The Finance Department will select either a desk audit (review of the business' records at City Hall) or an on-site audit (performed at the business location), depending on the business' level of risk. The level of risk will be determined by reviewing previous audits, any previous or ongoing problems with TOT Returns, and the TOT volume.
4. The Finance Department will mail a notification letter to each business selected for audit at least 45 days before the scheduled audit. The letter will include the date and time of the scheduled audit, the type of audit to be conducted (desk audit or on-site audit), the time period the audit will cover, and the documents and information to be provided by the business.
5. For most audits, the following documents will be requested:
 - a. Daily registration cards, sign-in registers, and receipt books
 - b. Daily summary sheets
 - c. Monthly summary sheets
 - d. Bank statements and deposit slips
 - e. General ledger or revenue ledgers and financial statements
 - f. Schedule and supporting documents for exempt revenues
 - g. Federal income tax returns showing the hotel/motel revenue
6. Additional documentation may be requested by the auditor as needed.
7. At the conclusion of the audit, the Finance Department will provide a follow-up letter to the business, stating the results of the audit, any concerns that need to be addressed, instructions on clearing any concerns, and the amount of additional tax, penalties, and interest assessed, if any.