

Ordinance amending Chapter 17 of the Corpus Christi Code by adding interest due for submission of delinquent hotel occupancy tax reports and payments, changing the date reports and payments are due, and including other necessary edits to update the language; and providing for an effective date and publication.

WHEREAS, to align with current State law, provisions of Chapter 17 of the Corpus Christi Code of Ordinances (“Corpus Christi Code”), pertaining to hotel occupancy tax reports and payments, must be revised to incorporate interest on delinquent submissions, change affected dates, and include necessary edits to the existing language.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:

SECTION 1. The Corpus Christi Code of Ordinances (“Corpus Christi Code”) is amended by revising various sections of Chapter 17 to add the language that is underlined and delete the language that is stricken, as indicated below, to read as follows:

Sec. 17-35. Room occupancy tax—Definitions.

As used in sections 17-36 through ~~17-40~~ 17-41, the following words, terms and phrases are defined as follows:

Consideration: * * *

* * *

Hotel: A building in which members of the public obtain sleeping accommodations for consideration. The term includes a hotel, motel, tourist home, tourist house, tourist court, lodging house, inn, rooming house, or bed and breakfast. For the purposes of the imposition of a hotel occupancy tax under this chapter, “hotel” includes a short-term rental. The term “hotel” does not include:

(1) A hospital, sanitarium, or nursing home; ~~or~~

(2) A dormitory or other housing facility owned or leased and operated by an institution of higher education or a private or independent institution of higher education as those terms are defined by Texas Education Code § 61.003, used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution; ~~or~~

(3) An oilfield portable unit, as defined by Section 152.001.

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Short-term rental: the rental of all or part of a residential property to a person who is not a permanent resident.

Tax assessor and collector: The tax assessor and collector ~~for~~of this city.

Sec. 17-36. Same—Levy of taxes; rates; registration; exceptions.

(a) There is hereby imposed, as authorized by and for the purposes provided in ~~V.T.C.A. Texas~~ Tax Code Ch. 351, a tax of nine (9) per cent of the price paid for a room in a hotel on a person who, under a lease, concession, permit, right of access, license, contract, or agreement, pays for the use or possession or for the right to the use or possession of a room that is in a hotel, costs two dollars (\$2.00) or more each day, and is ordinarily used for sleeping.

(b) Every person engaging or about to engage in business as a lodging provider in the city shall immediately register with the finance director ~~on a form~~ through the method provided by said official. ~~Persons engaged in such business must register not later than thirty (30) days after the date that this article becomes effective.~~ Such registration shall set forth the name under which such person transacts business or intends to transact business, the location of his place(s) of business and such other information which would facilitate the administration of the tax as prescribed by the finance director. The registration shall be signed by the owner if a natural person in case of ownership by an association or partnership, by a member or partner in case of ownership by a corporation, by an officer. ~~The finance director shall, after such registration, issue without charge a certificate of authority to each lodging provider to collect the tax from the occupant. A separate registration shall be required for each place of business of a lodging provider. Each certificate shall state the name and location of the business to which it is applicable.~~ For qualified and approved short term rentals authorized under Chapter 5 of this Code, a registration permit is issued.

(c) Exceptions to tax are as follows:

(1) No tax shall be collected from a guest after becoming a permanent resident. A guest becomes a permanent resident either after thirty (30) continuous days' occupancy, or upon notifying the lodging provider in writing of his intention to occupy a guest room for longer than thirty (30) continuous days and then proceeding to actually occupy the guest room for such period. A guest who would express intent, but fails to stay thirty (30) continuous days, is not a permanent resident and is not excepted from the tax. However, a guest who expresses intent and does stay is excepted from the tax

as of the date he notified the lodging provider of his intention so long as there was no interruption of payment for the period. A lodging provider may levy the tax for the first thirty (30) days and refund tax if guest meets the criteria for a permanent resident.

(2) No tax shall be collected from the U.S. federal government nor an officer or employee of said government when traveling on or otherwise engaged in the course of official government business and presenting official identification.

(3) * * *

(4) No tax shall be collected from electric cooperatives formed under ~~V.T.C.A. Texas~~ Utilities Code Ch. 161, nor telephone cooperatives formed under ~~V.T.C.A. Texas~~ Utilities Code Ch. 162, nor an officer or employee of either thereof when traveling on business and presenting official identification.

(5) Generally, employees of state governmental agencies must pay the tax; however, no tax shall be collected from State of Texas officials or employees such as heads of state agencies, members of state boards and commissions, district attorneys, state judges (district courts, courts of appeals, court of criminal appeals, and supreme court), state legislators, legislative employees, secretary of the senate and the executive director of the legislative council, when traveling on state business, when presenting a photo identification card issued by a state agency verifying the identity that specifically states they are exempt from hotel occupancy taxes under ~~V.T.C.A. Texas~~ Tax Code § 156.103(d) and a completed hotel tax exemption certificate.

(6) * * *

Sec. 17-37. Same—Collection.

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Sec. 17-38. Same—Reports.

On or before the ~~last~~ 20th day of the month following each monthly period, every person required in section 17-37 hereof to collect the tax imposed herein shall file a report with the finance department showing the

consideration paid for all room or sleeping space occupancies in the preceding month, the amount of tax collected on such occupancies, number of room nights available during the reporting period, number of room nights occupied during the reporting period, and any other information as the finance department may reasonably require, which report shall be in writing. Such persons shall pay the tax due on such occupancies at the time of filing of such report, provided that a one (1) per cent discount may be retained for payment made before the due date. Reports and payment of taxes due must be postmarked or received by the last 20th day of the month following the reporting period to be timely. If the 20th day occurs on a holiday or weekend, the report and payment of taxes due must be received by the next business day following the holiday or weekend.

Sec. 17-39. Same—Procedures.

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Sec. 17-40. Same—Penalties.

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Sec. 17-41. Reserved—Interest on delinquent tax.

A yearly interest rate applies to all taxes delinquent more than 60 days. The rate of interest to be charged is the prime rate plus one (1) percent, as published in The Wall Street Journal on the first day of each calendar year that is not a Saturday, Sunday, or legal holiday. Delinquent taxes draw interest beginning the 61st day after the due date and until all amounts, including accrued interest and penalties, are paid in full.

SECTION 2. If for any reason any section, paragraph, subdivision, sentence, clause, phrase, word, or provision of this ordinance is held to be invalid or unconstitutional by final judgment of a court of competent jurisdiction, such judgment shall not affect any other section, paragraph, subdivision, sentence, clause, phrase, word, or provision of this ordinance, for it is the definite intent of this City Council that every section, paragraph, subdivision, sentence, clause, phrase, word, or provision of this ordinance be given full force and effect for its purpose. The City Council declares that it would have passed this ordinance, and each section, paragraph, subdivision, sentence, clause, phrase, word, or provision thereof, irrespective of the fact that one or more sections, paragraphs, subdivisions, sentences, clauses, phrases, words, or provisions be declared invalid or unconstitutional.

SECTION 3. The changes made by this ordinance take effect August 1, 2022, and this ordinance is expressly made applicable to hotel occupancy tax reports and payments due on and after September 1, 2022, for taxes collected during the month of August,

2022. For tax collection and remittance activities occurring on or before July 31, 2022, for which reports and payments are due for the month of August, 2022, the former law is preserved intact for that purpose.

SECTION 4. The City Secretary is directed to publish this ordinance in the official publication of the City of Corpus Christi, as required by the City Charter.

The foregoing ordinance was read for the first time and passed to its second reading on this the _____ day of _____, 2022, by the following vote:

Paulette Guajardo	_____	John Martinez	_____
Roland Barrera	_____	Ben Molina	_____
Gil Hernandez	_____	Mike Pusley	_____
Michael Hunter	_____	Greg Smith	_____
Billy Lerma	_____		

The foregoing ordinance was read for the second time and passed finally on this the _____ day of _____ 2022, by the following vote:

Paulette Guajardo	_____	John Martinez	_____
Roland Barrera	_____	Ben Molina	_____
Gil Hernandez	_____	Mike Pusley	_____
Michael Hunter	_____	Greg Smith	_____
Billy Lerma	_____		

PASSED AND APPROVED on this the _____ day of _____, 2022.

ATTEST:

Rebecca Huerta
City Secretary

Paulette Guajardo
Mayor