

CHAPTER 3 – ASSESSMENTS & TAXATION

ARTICLE 5 – BUSINESS IMPROVEMENT DISTRICT 1 – OCCUPANCY TAX

SECTIONS:

Sections 3-5-101 to 199, inclusive. General Provisions.

3-5-101. Establishment of the Business Improvement District.

3-5-102. Boundaries of the Business Improvement District.

3-5-103. Voluntary Participation.

3-5-104. New Properties within the BID.

3-5-105. Purpose of the BID.

3-5-106. Occupational Tax Imposed.

3-5-107. Duty to Account for Complimentary and Lease Rooms.

3-5-108. Computation and Collection of Occupation Tax.

3-5-109. Certified Report Required Along with Occupation Tax Payment.

3-5-110. Failure to Pay Occupational Tax.

3-5-111. Payment of Fees.

3-5-112. Use of Occupational Tax Proceeds by Pierre Business Improvement District #1.

3-5-113. Reporting.

3-5-114. Disbursement of Unobligated Funds upon Dissolution.

3-5-115. Severability.

3-5-116. Effective Date.

3-5-117 to 199, inclusive. Reserved.

Sections 3-5-101 to 199, inclusive. General provisions.

Section 3-5-101 Establishment of the Business Improvement District.

There is hereby created, pursuant to Chapter 9-55, “Pierre Business Improvement District #1” (hereinafter also referred to as “BID #1”) of the City. A Resolution of Intent to create this district was approved by the City Commission on March 25, 2014. A public hearing on the creation of the BID #1 was held in the Pierre City Hall located at 222 E Dakota Ave, Pierre, SD, at 5:45p.m. on Tuesday, April 29, 2014.

Section 3-5-102 Boundaries of the Business Improvement District

BID #1 is a noncontiguous district, located within the City, and excludes any hotel, motel or lodging establishments with less than 25 rooms, unless the hotel or motel elects to be included within the BID #1.

Business Improvement District #1 includes the following properties:

HOTEL	ADDRESS	CURRENT NUMBER OF ROOMS
Capitol Inn & Suites	815 E. Wells Ave.	107
ClubHouse Inn & Suites	808 W. Sioux Ave.	79
Comfort Inn	410 W. Sioux Ave.	57
Days Inn	520 W. Sioux Ave.	79
Governor's Inn	700 W. Sioux Ave.	82
Kings Inn	110 E. Sioux Ave.	57
Pierre Inn & Suites	205 W. Pleasant Ave.	39
Ramkota RiverCentre	920 W. Sioux Ave.	151
River Lodge	713 W. Sioux Ave.	47
Super 8 Motel	320 W. Sioux Ave.	74

Section 3-5-103 Voluntary Participation

BID #1 will permit hotels, motels and lodging establishments with less than 25 rooms to be included in the BID if they elect to be included. Any property that voluntarily participates to be a part of the BID #1 are permanently in the BID #1 and cannot voluntarily remove themselves from the BID #1.

Section 3-5-104 New Properties within the BID

Pursuant to the provisions of SDCL 9-55-4, BID #1 may be expanded to also include all hotels, motels or lodging establishments with 25 rooms or more which are constructed or annexed into the municipal limits after the creation of the BID #1.

Section 3-5-105 Purpose of the BID

BID #1 is created for the purpose of funding authorized uses intended to improve the city's ability to attract visitors who will patronize the local lodging industry. The funding may include payment of the costs of acquisition, construction, maintenance, operation and funding of public improvements, as well as the enhancement, expansion, marketing and promotion of visitor facilities, events, attractions and activities.

Section 3-5-106 Occupational Tax Imposed

Commencing on August 1, 2014 an occupational tax in the amount of Two Dollars (\$2.00) per night is hereby imposed upon transient guests, based upon rooms rented by any of the hotels, motels or lodging establishments within the BID. This occupation tax shall be fair, equitable and uniform as to class. No occupational tax may be imposed on any transient guest who has been offered a room by a lodging establishment on a complimentary basis whereby no fee or rent is charged for such room. Additionally, no occupational tax may be imposed on any transient guest who stays 28 days or more consecutive nights.

Section 3-5-107 Duty to Account for Complimentary and Lease Rooms

Each hotel, motel or lodging establishment shall account for complimentary or leased rooms which are also subject to audit by the City, with records showing the reason rooms were provided on a complimentary basis or for a period of 28 days or more.

Section 3-5-108 Computation and Collection of Occupation Tax

The City Finance Officer is authorized to determine and compute the tax in accordance with this ordinance. The occupational tax assessed pursuant to this ordinance shall be remitted by the 20th day of each month to the City, based on the previous calendar-month tax collections. Should the 20th day of the month fall on a Saturday, Sunday or a holiday observed by the City, the occupancy tax remittance shall be due on the first business day immediately following the 20th. The City Finance Officer or their designee shall be authorized to audit the books, ledgers, or franchise reports of any hotel, motel or lodging establishment subject to the terms of this ordinance, including the right to inspect daily reports of such hotels and motels so as to ensure that any occupancy tax is properly remitted to the City. The City may seek injunctive relief against any hotel, motel or lodging establishment which does not remit the proper amount of tax monies when due. Each hotel, motel or lodging establishment subject to this ordinance shall keep accurate records of amounts collected from transient guests for review by the City Finance Officer or their designee.

Section 3-5-109 Certified Report Required Along with Occupation Tax Payment

Any business governed by this ordinance shall certify with the remittance of tax imposed by this ordinance that the accounting of rooms rented is accurate and the tax payment made is accurate according to the business records.

The foregoing report shall include the signature of a person authorized to make such statement on behalf of the business, with the person certifying the report to include their capacity to make the certification on behalf of the business and shall include the following statement.

“I declare, under penalty of perjury, that the above accounting of rooms rented is accurate and the tax payment made herein is accurate to the best of my knowledge according to my business records.”

Section 3-5-110 Failure to Pay Occupational Tax

All remittances of the occupancy tax collected pursuant to this ordinance shall be due and received in the office of the City Finance Officer on or before the 20th day of the month following the month for which the occupancy tax was collected. All amounts that are not received on or before the 20th day of the month will be charged a late fee in the amount of Ten (10) percent of the total amount due. Failure to timely remit the occupancy tax shall constitute a violation of this ordinance.

The City Finance Officer shall certify all unpaid amounts or balances to the county treasurer for collection in the same manner as general property taxes are collected. Further, the City shall have the ability to deny the issuance of permits or licenses or any renewals thereof to any business or premise that fails to conform to the provisions of this ordinance, including, but not limited to, building permits, malt beverage licenses and liquor licenses. Nothing (within) the body of this ordinance shall be construed as limiting any other rights which the City has, or may pursue in seeking collection of monies received but not paid under the terms of this ordinance. In the event that this tax becomes subject to supervision by the state through the State’s Department of Revenue, any rights which the City as herein shall be deemed cumulative to any powers which inure to the benefit of the State.

Section 3-5-111 Payment of Fees

In the event legal action is required to collect any delinquent assessments, if there is a tax that has not been paid in accordance with this ordinance, the hotel, motel or lodging establishment failing to pay will be responsible for and pay all attorney’s fees and costs incurred by the City in collecting the unpaid tax.

Section 3-5-112 Use of Occupational Tax Proceeds by Pierre Business Improvement District #1

BID #1 Board of Directors will use the proceeds only for improvements benefiting the City and its hotels and motels located within the BID through implementation of a budget recommended by the BID Board of Directors and approved by the City Commission.

Section 3-5-113 Reporting

BID #1 will provide an annual report to the City Commission. Quarterly reports will be provided upon written request from the City Commission.

Section 3-5-114 Disbursement of Unobligated Funds upon Dissolution

In the event of dissolution, any unobligated funds will be distributed to the Pierre Convention and Visitors Bureau for improvements allowable under SDCL Chapter 9-55 and approved by the City Commission.

Section 3-5-115 Severability

Should any section, clause or provision of this ordinance be declared invalid, the same shall not affect the validity of the ordinance as a whole or any part thereof, other than the part declared to be invalid.

Section 3-5-116 Effective Date

This ordinance is effective June 11, 2014.

Source: Ord. No. 1734, 2014.