

AMENDMENT TO CHAPTER 74 ARTICLE V HOTEL-MOTEL EXCISE TAX

Amend: Sec 74-116 paragraph (b)

Change paragraph (b) for interest and penalty calculations

As currently reads:

Sec. 74-116. - Due date; delinquency; penalties and interest.

(b) A lodging provider who fails to make any return or to pay the amount of tax as prescribed, shall be assessed a specific penalty to be added to the tax in the amount of five percent or \$5.00, whichever is greater, if the failure is for one month or less; and an additional five percent or \$5.00, whichever is greater, for each additional month or fraction thereof in which such failure shall continue; provided, however, that the aggregate penalty for any single violation shall not exceed 25 percent or \$25.00, whichever is greater. Delinquent amounts shall bear interest at the rate of one percent per month, or fraction thereof, until paid.

To be amended to read:

Sec. 74-116. - Due date; delinquency; penalties and interest.

(b) A lodging provider who fails to make any return or to pay the amount of tax as prescribed on or before the due date, shall be assessed interest on the delinquent tax at the highest lawful rate until paid. For the purposes of this accrual, any period of less than one month shall be considered to be one month. Tax amounts that remain unpaid 120 days from the due date shall be increased by a penalty of 5 percent of the amount of tax due and not paid at the time such penalty is assessed, together with interest as specified by law. After 120 days from the imposition of the initial penalty, an additional penalty of 5 percent of any tax amount remaining due shall be imposed, together with interest as specified by law. If any tax amount remains due after 120 days from the imposition of such additional penalty, a penalty of 5 percent shall be imposed, together with interest as specified by law. Should any tax amount remain due 120 days after such date, a penalty of 5 percent shall be imposed, together with interest as specified by law. The aggregate amount of penalties imposed pursuant to this subsection shall not exceed an amount equal to 20 percent of the principal amount of the tax originally due.