



## Legislation Text

**File #:** Ord 19-53, **Version:** 1

Amending Chapter 25 of the Legislative Code pertaining to the supplemental tax on hotels and motels by increasing the imposed tax rate from three to four percent.

WHEREAS, pursuant to Minnesota Laws 1986, chapter 462, section 31, the Minnesota Legislature authorized the City of Saint Paul to impose, by ordinance, a supplemental tax at a rate not greater than two percent, on the gross receipts from the furnishing for consideration of lodging at a hotel, rooming house, tourist court, motel, or resort (hereinafter the "Tax"); and

WHEREAS, the Minnesota Legislature amended the Tax via Minnesota Laws 1991, chapter 291, article 8, section 24 (increasing the authorized percentage from a rate not greater than two percent to a rate not greater than three percent) and Minnesota Laws 2011, chapter 112, article 4, section 6 (adding the phrase "and related services" to the allowable receipts); and

WHEREAS, the City of Saint Paul imposed the Tax by Ordinance number 17737, amended Ordinance number 17367, and amended Ordinance number 17850; and

WHEREAS, the imposed Tax is codified in Chapter 25 of the Saint Paul Legislative Code; and

WHEREAS, in Minnesota Session Laws 2019, 1st Special Session, chapter 6, article 6, section 6, the Minnesota Legislature again amended the Tax by increasing the authorized percentage from a rate not greater than three percent to a rate not greater than four percent; and

WHEREAS; the governing body of the City of Saint Paul and the Saint Paul City Clerk complied with Minnesota Statutes, Section 645.021, subdivisions 2 and 3, to make the above-referenced 2019 Minnesota Session Laws effective; and

NOW, THEREFORE, based upon the Special Minnesota Laws articulated herein, which are incorporated by reference as the Council's rational and intent for enacting the following ordinance amendments;

THE COUNCIL OF THE CITY OF SAINT PAUL DOES ORDAIN

### SECTION 1

That Section 25.01 of the Saint Paul Legislative code be amended to read as follows:

Sec. 25.01. - Definitions.

The following words, terms and phrases when used in this chapter shall have the meanings ascribed to them in this section except where the context clearly indicates a different meaning:

(1) Person shall mean any individual, corporation, firm, partnership, association, organization or other group acting as a unit. It shall also include any executor, administrator, trustee, receiver or other representative appointed by law. Whenever the word "person" is used in any section prescribing a penalty or fine, it shall include the partners or members of any partnership or corporation, and, as to corporations, the officers, agents or members thereof who are responsible for the violation in question.

(2) Director shall mean the director of the office of financial services of the city.

(3) Room charges shall mean the furnishing for a consideration of lodging and related services by a hotel, roominghouse, tourist court, or motel or the granting of any similar license to use real property other than the renting or leasing thereof for a continuous period of thirty (30) days or more, but shall not be applicable to a mission as that term is defined in Section 60.214 of the Zoning Code.

(4) Purchaser shall mean any person receiving lodging taxable under this chapter.

(5) Seller shall mean any person furnishing lodging taxable under this chapter.

## SECTION 2

That Section 25.02 of the Saint Paul Legislative Code be amended to read as follows:

Sec. 25.02. - Tax imposed.

(a) There is hereby imposed a tax of three (3) percent in addition to the sales tax imposed by the State of Minnesota on room charges, as herein defined, except that no tax shall be imposed on rooms renting for two dollars (\$2.00) or less per day. The tax shall apply to sales made on or after March 1, 1970.

(b) An additional tax of two (2) percent is hereby imposed on room charges as herein defined, except that this additional tax shall not apply to a business having less than fifty (50) lodging rooms. This additional tax shall apply to sales made on or after July 1, 1986. On or after August 13, 1991, the additional tax on room charges under this subsection (b) shall be imposed at the rate of three (3) percent. On or after October 1, 2019, the additional tax on room charges under this subsection (b) shall be imposed at the rate of four (4) percent.

## SECTION 3

This ordinance shall take effect and be in force thirty (30) days following its passage, approval, and publication.