

Proposed by:	Finance Committee
Attorney Review:	09/16/2018
Finance Review:	09/20/2018
First Reading:	10/04/2018
Second Reading:	10/18/2018
Vote: 5 Aye	0 Nay 1 Absent

**MUNICIPALITY OF SKAGWAY, ALASKA
ORDINANCE NO. 18-18**

AN ORDINANCE OF THE MUNICIPALITY OF SKAGWAY, ALASKA AMENDING SMC 4.08.030 HOTEL ROOM TAX TO CLARIFY THE TAXATION OF OVERNIGHT ACCOMMODATION RENTALS OF LESS THAN THIRTY CONSECUTIVE DAYS.

NOW THEREFORE BE IT ORDAINED AND ENACTED BY THE MUNICIPALITY OF SKAGWAY, ALASKA AS FOLLOWS:

Section 1. Classification. Section 3 of this ordinance is of a general and permanent nature and shall become a part of the Skagway Municipal Code.

Section 2. Purpose. To amend SMC Section 4.08.030 to clarify the taxation of overnight rentals of less than thirty (30) consecutive days.

Section 3. Amendment. The Skagway Municipal Code is hereby amended; (~~strike through~~) indicates text to be deleted from and (**bold underscore**) indicates text added to the current code. SMC 4.08.030 Hotel room tax is hereby amended as follows:

4.08.030 ~~Hotel room~~ **Short-term rental** tax.

- A. ~~A retail sales~~ **short-term rental** tax upon ~~hotel room~~ **overnight accommodation** rentals **of less than thirty (30) consecutive days** is hereby assessed and levied in the amount of eight percent (8%) of the gross revenues on all ~~hotel and motel~~ **such** rents, and on all services provided in connection therewith.
- B. ~~Hotel room~~ **Overnight accommodation** rentals which continue for thirty (30) or more consecutive days shall be subject to sales tax, instead of ~~hotel room~~ **short-term rental** tax, on or after the thirtieth consecutive day. ~~Hotel room~~ **Overnight accommodation** rentals which are less than thirty (30) consecutive days shall be subject to the ~~hotel room~~ **short-term rental** tax even if the room or rooms were originally taken with the intent to use or occupy for thirty (30) or more consecutive days.
- C. **In this section, "overnight accommodation" shall mean a room, group of rooms, or building in which someone may live or stay and does not include recreational vehicle parks or camping areas.**
- D. **Per SMC 4.08.090, it is the duty of the person or entity furnishing such rentals to collect the tax from the purchaser or consumer and make a return thereof to the borough. Every person or entity with an obligation to collect and remit taxes to the municipality under this chapter but who neglects, fails, or refuses to do so shall be liable for and pay the tax.**

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Section 4. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

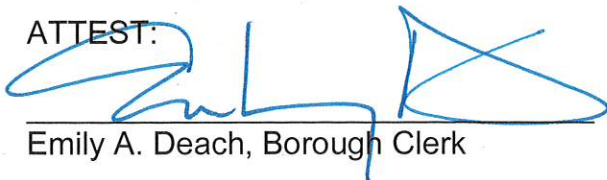
Section 5. Effective Date. This ordinance shall become effective immediately upon adoption.

PASSED AND APPROVED by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this 18th day of October, 2018.



Monica Carlson, Mayor

ATTEST:



Emily A. Deach, Borough Clerk

(SEAL)

