

VILLAGE OF SCHAUMBURG

**HOTEL AND MOTEL TAX
NEW BUSINESS PACKET**





**VILLAGE OF SCHAUMBURG
HOTEL AND MOTEL TAX RETURN**
(Revised 09-16)

Calendar Month for Which Tax Return Applies: _____

Name of Hotel or Motel: _____

Business Address: _____

COMPUTATION OF TAX LIABILITY

- 1. Gross Receipts from Room Rentals \$ _____
- 2. Less: Exempted Room Rental Receipts..... \$ _____
- 3. Taxable Receipts (Line 1 minus line 2)..... \$ _____
- 4. Hotel and Motel Tax Liability (Line 3 multiplied by 8.0%)..... \$ _____
- 5. Tax Collection Fee Due Hotel/Motel Operator (1.0% of line 4)..... \$ _____
- 6. Total Hotel and Motel Tax Due Village (Line 4 minus line 5)..... \$ _____
- 7. Penalties and Interest if Paid After the Due Date:
 - A. Late Filing Penalty (line 6 multiplied by 5.0%)..... \$ _____
 - B. Late Payment Penalty (line 6 multiplied by 5.0%)..... \$ _____
 - C. Interest (1.0% of line 6 per month or fraction thereof)..... \$ _____
 - D. Total Penalties and Interest Due (Sum of Lines 7A, 7B and 7C)..... \$ _____
- 8. Total Due the Village of Schaumburg (add lines 6 and 7D)..... \$ _____

I hereby affirm that the information presented in this return is taken from the books and records of the above named business and is true and correct to the best of my knowledge.

Signature and Title of Individual Preparing Return Telephone # Date

The information being provided is deemed confidential and will not be released unless the business approves the release. ___ Release of Information Approved

Due Date: The completed hotel and motel tax return and payment of the tax liability must be received by the Village or postmarked on or before the last day of the calendar month succeeding the end of the prior month filing period.

**The completed tax return and payment should be mailed to:
Village of Schaumburg
Finance Department – Hotel and Motel Tax
101 Schaumburg Court
Schaumburg, IL 60193**

Any questions regarding the hotel and motel tax should be directed to the Finance Department at 847-923-4532.

Hotel and Motel Tax

§ 36.050 TAX IMPOSED.

A tax is hereby levied and imposed upon all persons engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the village or making, booking, facilitating or servicing the leasing or renting of rooms in a hotel or motel in the village at a rate of eight percent (8%) of the gross rental receipts from such rental, leasing or letting. The ultimate incidence of and liability for payment of said tax shall be borne by the user, lessee or tenant of said rooms. The tax herein levied shall be in addition to any and all other taxes.

(Ord. 2085, passed 1-12-1982; Am. Ord. 00-09, passed 1-24-2000; Am. Ord. 03-123, passed 8-26-2003; Am. Ord. 16-073 , passed 8-9-2016; Am. Ord. 18-133 , passed 12-11-2018)

§ 36.051 DEFINITIONS.

GROSS RENTAL RECEIPTS: The total amount of consideration for occupancy, valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property or services of any kind or nature, including but not limited to, amounts charged for the making, booking, facilitating or servicing of reservations. Gross rental receipts means both: (a) the "net rate" paid to the hotel or motel by an online travel company for room occupancy by the consumer; and (b) the amount retained by the online travel company for travel-related services provided to the consumer (sometimes referred to as a "facilitation fee"), and any additional amounts retained by the online travel company as compensation for its travel services to the consumer for the individual transaction, or, in the instance of a consumer's direct rental of a room with the hotel or motel, the gross rental receipts shall mean the amount charged by the hotel or motel directly to the consumer for the occupancy of the room.

HOTEL; MOTEL: Any building or buildings, or portion thereof, in which the public may, for consideration, obtain living quarters, sleeping or housekeeping accommodations, including hotels, inns, motels, tourist homes or courts, lodging houses, rooming houses, apartment houses, and short-term rentals, as defined and regulated under the village Code, as it may be amended from time to time. Accommodations within said buildings, which are leased to the same occupant for a period of more than thirty (30) consecutive days, regardless of the initial lease commitment, shall be exempt from the tax provisions of this subchapter.

ONLINE TRAVEL COMPANY: An organization that books, reserves, or rents hotel or motel rooms and makes other travel arrangements for consumers via the world wide web, internet or other digital means.

ROOM; ROOMS: Any living quarters, sleeping or housekeeping accommodations.

(Ord. 2085, passed 1-12-1982; Am. Ord. 07-034, passed 2-27-2007; Am. Ord. 15-104 , passed 9-22-2015; Am. Ord. 16-063 , passed 6-28-2016; Am. Ord. 19-030 , passed 4-9-2019)

Editor's note(s)—Formerly entitled "Lodging Subject to Tax," which was amended by Ord. 19-030 .

§ 36.052 DUTY TO COLLECT TAX FROM USER.

The owner and operator of each hotel and or motel, the person to whom the license to operate said hotel or motel shall have been issued by the village, and any other persons, entities or online travel companies engaged in the business of renting, leasing, or letting rooms in a hotel or motel or making, booking, facilitating or servicing the

leasing or renting of rooms in a hotel or motel shall bear jointly and severally the duty to collect the tax from each user, lessee or tenant of rooms in such hotel or motel. Every person required to collect the tax levied by ordinance shall secure said tax from the user, lessee or tenant of a room or rooms at the time that he collects the price, charge or rent to which it applies.

(Ord. 2085, passed 1-12-1982; Am. Ord. 16-073 , passed 8-9-2016; Am. Ord. 18-133 , passed 12-11-2018)

§ 36.053 PAYMENTS TO VILLAGE.

- (A) **Enforcement Officer:** The finance director hereby is designated as the administration and enforcement officer of the tax hereby imposed on behalf of the village. It shall be the responsibility and duty of the finance director to collect all amounts due the village from the owners, operators and licensees of motels and hotels in the village, and any other persons, entities or online travel companies engaged in the business of renting, leasing, or letting rooms in a hotel or motel or making, booking, facilitating or servicing the leasing or renting of rooms in a hotel or motel.
- (B) **Tax Return Filing:** A sworn hotel and motel occupancy tax return shall be filed by each owner, operator or licensee of each hotel or motel in the village, or by any other persons, entities or online travel companies engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the village or making, booking, facilitating or servicing the leasing or renting of rooms in a hotel or motel in the village, with the finance director, on forms prescribed by him, showing all receipts from each renting, leasing or letting of rooms during the reporting period. Effective with the reporting period beginning April 1, 2007, and for all subsequent reporting periods, the tax returns are to be prepared and submitted on a monthly reporting period basis. The tax return and payment of the tax due shall be received or postmarked on or before the last day of the month succeeding the reporting period.
- (C) **Payment:** Each tax return shall be accompanied by payment to the village of all taxes due and owing for the reporting period covered by the tax return, provided, however, that the owner, operator, or licensee, or any other persons, entities or online travel companies engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the village or making, booking, facilitating or servicing the leasing or renting of rooms in a hotel or motel in the village filing said return may retain an amount of money equal to one percent (1%) of the tax due as compensation for services rendered in the collection and payment of such tax.
- (D) **Books and Records:** The finance director or any person certified by him as his deputy or representative may enter the premises of any hotel or motel, or may request access from any other persons, entities or online travel companies engaged in the business of renting, leasing, or letting rooms in a hotel or motel or making, booking, facilitating or servicing the leasing or renting of rooms in a hotel or motel for the purposes of inspection and examination of its books and records for the proper administration of this subchapter, and for the enforcement of collection of the tax hereby imposed. It is unlawful for any person to prevent, hinder or interfere with the finance director or his duly authorized deputy or representative in the discharge of his duties hereunder.
- (E) **Duty to Maintain Records:** The owner and operator of each hotel and/or motel and the person to whom the license to operate said hotel or motel shall have been issued by the village, and any other persons, entities or online travel companies engaged in the business of renting, leasing, or letting rooms in a hotel or motel or making, booking, facilitating or servicing the leasing or renting of rooms in a hotel or motel shall bear jointly and severally the duty and responsibility to maintain records of hotel taxes collected from each user, lessee or tenant of the rooms of said hotel or motel for a period of three (3) years from the time the tax is due and owing. Any records in excess of three (3) years may be disposed.

(Ord. 2085, passed 1-12-1982; Am. Ord. 00-128, passed 9-26-2000; Am. Ord. 07-034, passed 2-27-2007; Am. Ord. 16-073 , passed 8-9-2016; Am. Ord. 18-133 , passed 12-11-2018)

§ 36.054 ENFORCEMENT LICENSE REVOCATION.

- (A) Whenever any person shall fail to pay any taxes herein provided, or when any owner, operator or licensee of a hotel or motel in the village, or any other persons, entities or online travel companies engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the village or making, booking, facilitating or servicing the leasing or renting of rooms in a hotel or motel in the village shall fail to collect the tax hereby imposed from any person who has the ultimate liability for payment of the same, the village attorney shall, upon request of the finance director, bring or cause to be brought an action to enforce the payment of said tax on behalf of the village in any court of competent jurisdiction.
- (B) If the village manager or designee, after a hearing held by or for him, shall find that any hotel or motel owner, operator or licensee, or any other persons, entities or online travel companies engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the village or making, booking, facilitating or servicing the leasing or renting of rooms in a hotel or motel has willfully evaded his responsibility to collect the tax imposed by this subchapter, he may suspend or revoke all village licenses held by such tax evader. Said person shall have an opportunity to be heard at such hearing, to be held not less than five (5) days after notice of the time and place thereof, addressed to him at his last known place of business. Any suspension or conviction resulting from such hearing shall not relieve or discharge any civil liability for nonpayment of the tax due.

(Ord. 2085, passed 1-12-1982; Am. Ord. 16-073 , passed 8-9-2016; Am. Ord. 18-133 , passed 12-11-2018)

§ 36.055 PENALTIES AND INTEREST.

If any tax imposed by this subchapter is not paid when due, or any tax return and/or required supporting tax documentation is not filed when due, any interest and penalty shall be pursuant to section 36.170 of this chapter.

(Ord. 2898, passed 12-15-1987; Am. Ord. 04-096, passed 7-13-2004)

§ 36.056 PAYMENTS.

All proceeds resulting from the imposition of the tax under this subchapter, including interest and penalties, shall be paid into the treasury and shall be credited to and deposited in the general fund or any other funds designated by the village board.

(Ord. 2085, passed 1-12-1982; Am. Ord. 04-096, passed 7-13-2004)

§ 36.057 AGENT DESIGNATION.

Each and every owner and operator of any hotel and/or motel within the Village of Schaumburg, and any other persons, entities or online travel companies engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the village or making, booking, facilitating or servicing the leasing or renting of rooms in a hotel or motel shall designate an individual, either by name or job title, to receive any written communication from the village regarding the hotel/motel tax here imposed. Each person so designated shall be employed at a facility located within the Village of Schaumburg, and, for purposes of this section, be referred to as "agent". Online travel companies which have a principal place of business outside the boundaries of the Village of Schaumburg shall not be required to have an agent employed at a facility located within the village. All online travel companies shall still be required to designate an agent pursuant to this section with the location restriction being the sole exception to the requirements of this section.

Each owner and operator of each hotel and/or motel, and any other persons, entities or online travel companies engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the village or making, booking, facilitating or servicing the leasing or renting of rooms in a hotel or motel may additionally designate an individual, either by name or job description, outside of the corporate limits of the Village of Schaumburg to receive the same information or inquiries provided to the person designated within the village.

It shall be the obligation of each owner or operator of the hotel and/or motel, or any other persons, entities or online travel companies engaged in the business of renting, leasing, or letting rooms in a hotel or motel in the village or making, booking, facilitating or servicing the leasing or renting of rooms in a hotel or motel to notify the village in writing via certified mail of any change of persons so designated within ten (10) days of any change.

(Ord. 2085, passed 1-12-1982; Am. Ord. 00-104, passed 7-25-2000; Am. Ord. 16-073 , passed 8-9-2016; Am. Ord. 18-133 , passed 12-11-2018)

§ 36.058 VIOLATIONS.

Any person found guilty of violating, disobeying, omitting, neglecting or refusing to comply with the enforcement of any provision of this subchapter, except when otherwise specifically provided, shall be subject to the penalty of section 10.99 of this Code.

(Ord. 00-104, passed 7-25-2000)