

CITY OF SAN MATEO
ORDINANCE NO. 2012-7

AMENDING CHAPTER 3.56, "TRANSIENT OCCUPANCY TAX,"
OF THE SAN MATEO MUNICIPAL CODE

WHEREAS, the City of San Mateo's transfer tax ordinance is codified in Chapter 3.56 of the City of San Mateo Municipal Code; and

WHEREAS, the City wishes to clarify that the term "tax collector" means the city's Finance Director or designee; and

WHEREAS, the City wishes to codify the City's existing practice of requiring monthly reporting from hotel operators; and

WHEREAS, the City wishes to provide that appeals of transfer tax determination will be heard by the City Manager rather than the City Council; and

WHEREAS, the City wishes to provide for a continuing penalty for each 30 days that transient occupancy tax remains unpaid;

NOW, THEREFORE, THE CITY COUNCIL FOR THE CITY OF SAN MATEO, CALIFORNIA, ORDAINS as follows:

Section 1. Section 3.56.020, "Definitions," of Chapter 3.56, "Transient Occupancy Tax" is amended to add a new subsection 5) to read:

"5) "Tax Collector" means the city's finance director or designee."

Section 2. Former subsection 5 of Section 3.56.020, "Transient" shall be renumbered to become subsection 6.

Section 3. Section 3.56.070, "Reporting - Remitting," of Chapter 3.56, "Transient Occupancy Tax" is amended to read:

"3.56.070 REPORTING -- REMITTING. Each operator shall, on or before the last day of each month, make a return to the tax collector, on forms provided by the tax collector, of the total rents charged and the amount of tax calculated for transient occupancies for the preceding month. At the time the return is filed, the full amount of the tax collected shall be remitted to the tax collector. The tax collector may establish shorter reporting periods for any certificate holder if he deems it necessary in order to insure collection of the tax and he may require further information in the return. Returns and payments are due immediately upon cessation of business for any reason. All taxes collected by operators pursuant to this chapter shall be held in trust for the account of the city until payment thereof is made to the tax collector."

Section 4. Subsection b, "Continued Delinquency," of Section 3.56.080, "Penalties – Interest," is amended to read:

"(b) Continued Delinquency. Any operator who fails to remit any delinquent remittance on or before a period of thirty days following the date on which the remittance first became delinquent shall pay a second delinquency penalty of ten percent of the amount of the tax in addition to the amount of the tax and the ten

percent penalty first imposed. An additional penalty of ten percent shall be paid for each thirty days thereafter which the remittance is delinquent."

Section 5. Section 3.56.130, "Appeal," of Chapter 3.56, "Transient Occupancy Tax" is amended to read:

"3.56.130 APPEAL. Any operator aggrieved by any decision of the tax collector with respect to the amount of such tax, interest and penalties, if any, may appeal to the city manager by filing a notice of appeal with the city manager within fifteen days of the serving or mailing of the determination of tax due. The city manager or designee shall fix a time and place for hearing such appeal, and the city manager or designee shall give notice in writing to such operator at his last known place of address. The findings of the city manager or designee shall be final and conclusive and shall be served upon the appellant in the manner prescribed above for service of notice of hearing. Any amount found to be due shall be immediately due and payable upon the service of notice."

Section 6. CEQA. This project is exempt from California Environmental Quality Act (CEQA) requirements in that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment per CEQA Guidelines Section 15061(b)(3).

Section 7. SEVERABILITY. In the event any section, clause or provision of this Chapter shall be determined invalid or unconstitutional, such section, clause or provision shall be deemed severable and all other sections or portions hereof shall remain in full force and effect.

Section 8. PUBLICATION. This Ordinance shall be published in summary in the San Francisco Examiner Peninsula Edition, posted in the City Clerk's Office, and posted on the City's website, all in accord with Section 2.15 of the Charter and shall be effective 30 days after the date of adoption.

The foregoing ordinance was introduced on August 20, 2012, and adopted by the City Council of the City of San Mateo, State of California on the 4th day of September, 2012, by the following vote:

AYES: Council Members Lim, Ross, Freschet, Matthews and Grotte

NOES: NONE

ABSENT: NONE

ATTEST:

(SEAL) /s/ PATRICE M. OLDS
Patrice M. Olds, City Clerk

/s/ BRANDT GROTTTE
Brandt Grotte, Mayor