

## **Article XX : Short Term Rental Tax Law**

### **Section 425 : Short Title.**

This Article XX may be cited as the City of Bloomington Short Term Rental Tax Law. (Ordinance No. 2018-109)

### **Section 426 : Definitions.**

“Director” means the Finance Director of the City of Bloomington.

“Dwelling” means a building designed or used principally for residential occupancy, including without limitation, single family dwellings, two family dwellings, and multiple family dwellings.

“Finance Department” means the Finance Department of the City of Bloomington.

“Gross Rental Charge” means the total consideration paid for the rental of a Short-Term Residential Rental Unit.

“Guest” means any person who pays a Gross Rental Charge.

“Intermediary” means an organization, company, business or person that rents a Short-Term Residential Rental Unit and collects the Gross Rental Charge for that rental from a Guest via the Internet or other digital means.

“Operator” means any organization, company, business or person who owns or operates a Short-Term Residential Rental Unit.

“Short-Term Rental Tax” means the tax imposed under Section 427.

“Short-Term Residential Unit” means all or part of a dwelling within the City that is rented to individuals or families who occupy overnight accommodations for a period of less than 30 days. (Ordinance No. 2018-109)

### **Section 427 : Tax Imposed**

(a) A tax is imposed on the privilege of renting a Short-Term Residential Rental Unit within the City of Bloomington. The tax is imposed at a rate of 6% of the Gross Rental Charge.

(b) The tax imposed under this Section is in addition to any and all other taxes and charges.

(c) The Guest bears the liability for the payment of the tax. Each Intermediary or Operator is required to collect the tax from the guest and remit it as set forth under this Article XX.

(d) The tax under this Section is imposed on and after April 1, 2019. (Ordinance No. 2018-109)

**Section 428 : Collection by Intermediary.**

(a) Unless otherwise provided by law, each Intermediary that collects a Gross Rental Charge for a Short-Term Rental from a Guest shall collect and account for the Short-Term Rental Tax at the time that the Gross Rental Charge is paid.

(b) Any Intermediary who collects the Short-Term Rental Tax shall do as a trustee for and on account of the City of Bloomington. (Ordinance No. 2018-109)

**Section 429 : Collection by Operator.**

(a) For any Short-Term Rental, if the Short-Term Rental Tax is not collected by an Intermediary under Section 428, then the Operator has the duty to collect and account for the Short-Term Rental Tax at the time of the Short-Term Rental.

(b) Any Operator who collects the Short-Term Rental Tax shall do as a trustee for and on account of the City of Bloomington. (Ordinance No. 2018-109)

**Section 430 : Transmittal of Tax.**

(a) All Short-Term Rental Tax collected by an Intermediary or Operator in any month must be paid over to the Finance Department by the 25<sup>th</sup> day of the following month.

(b) All payments under this Section must be remitted in the form and manner as required by the Director. (Ordinance No. 2018-109)

**Section 431 : Recordkeeping; Inspection of Records.**

(a) Each Intermediary and Operator has a duty to maintain complete and accurate books, records, and accounts show the Gross Rental Charges and Short-Term Rental Tax collected from Guests.

(b) The books, records, and accounts under this Section must be available in the City for examination and for audit by the City. Any examination by the City may be made only after reasonable notice and may be made only during customary business hours. (Ordinance No. 2018-109)

**Section 432 : Proceeds.**

All proceeds resulting from the imposition of the tax under this ordinance, including penalties, shall be transferred to the City General Fund to be retained until lawfully appropriated and expended by the City of Bloomington. (Ordinance No. 2018-109)

**Section 433 : Rules and Regulations.**

The Finance Director is authorized to adopt, promulgate, and enforce rules and regulations pertaining to the administration and enforcement of this Article XX. (Ordinance No. 2018-109)

**Section 434 : Penalties.**

(a) If, for any reason, any tax imposed by this Article XX is not paid or remitted when due, then interest and penalties apply as set forth in Article XV of this Chapter.

(b) The Corporation Counsel may bring any appropriate legal action to enforce the provision of this Article XX. (Ordinance No. 2018-109)