

LODGING ROOM RENTAL TAX ORDINANCEORDINANCE NO. 158

WHEREAS, the use of marketing, advertising, and tourism programs or projects to promote Bucks County as a tourist destination and as a business and leisure conference destination is essential to the economic opportunities of Bucks County citizens and to the economic interests of County business properties; and

WHEREAS, the County of Bucks recognizes the importance of promoting leisure and business travel into Bucks County from outside the boundaries of Bucks County and leisure and business activities from within Bucks County; and

WHEREAS, on August 21, 2002, the Bucks County Commissioners approved a Resolution that established a lodging room rental tax rate of 3%. The 2002 Resolution amended a February 5, 1992 Bucks County Resolution that established the lodging room rental tax rate of 1% for four months and 2% thereafter; and

WHEREAS, pursuant to Act 18 of 2016, Section 3, the Pennsylvania General Assembly authorized the County Commissioners of a Second Class A county to increase the current 3% lodging room rental rate of tax to a 5% rate; and Act 18 is part of Article XVII of the act of August 9, 1955 (P.L. 323, No. 130), as amended, known as "The County Code"; and

WHEREAS, on December 21, 2016, the Bucks County Commissioners approved a Resolution, effective April 1, 2017, which increased the lodging room rental rate of tax to 5% of the consideration received by each operator of a hotel within Bucks County; and

WHEREAS, pursuant to Act 109 of 2018, effective January 22, 2019, the Pennsylvania General Assembly directs each booking agent who acts as a lodging operator and collects payment for rent, to collect and remit any additional or optional hotel tax imposed under Article XVII of the act of August 9, 1955 (P.L. 323, No. 130), known as "The County Code"; and

WHEREAS, Act 109 further requires that such collected and remitted tax be deposited in accordance with a county ordinance.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the Board of County Commissioners of Bucks County, Pennsylvania, as follows:

SECTION A. Definitions:

- 1) "hotel." A hotel, motel, inn, guesthouse, rooming house, bed and breakfast, homestead or other structure which holds itself out by any means, including advertising, license, registration with an innkeepers' group, convention listing association, travel publication or similar association or with a government agency, as being available to provide overnight lodging for consideration to persons seeking temporary accommodation; any place which advertises to the public at large or any segment thereof that it will provide beds, sanitary facilities or other space for a temporary period to members of the public at large; any place recognized as a hostelry or any cabin. The term does not include any of the following:
 - a. A charitable institution.
 - b. A portion of a facility that is devoted to persons who have an established permanent residence.
 - c. A college or university student residence hall currently occupied by students enrolled in a degree program.
 - d. An educational or religious institution camp for children, including a camp registered under the act of November 10, 1959 (P.L. 1400, No. 497), entitled "An act providing for the annual registration of organized camps for children, youth and adults; defining the duties of the Department of Health of the Commonwealth of Pennsylvania; and prescribing penalties."
 - e. A hospital.

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- f. A nursing home.
- g. Part of a campground that is not a cabin.
- 2) "accommodation fee." The amount by which the rent exceeds the discount room charge, if any.
- 3) "booking agent." A person or entity which facilitates or collects payment for hotel accommodations on behalf of or for an operator. The term "booking agent" shall not include a person who merely publishes advertisements for accommodations.
- 4) "discount room charge." The amount charged by an operator to a booking agent in connection with the sale of an accommodation by the booking agent.
- 5) "occupant." A person (other than a "permanent resident") who, for a consideration, uses, possesses or has a right to use or possess any room or rooms in a hotel under any lease, concession, permit, right of access, license or agreement.
- 6) "occupancy." The use or possession or the right to the use or possession by any person (other than a "permanent resident,") of any room or rooms in a hotel for any purpose or the right to the use or possession of the furnishings or to the services and accommodations accompanying the use and possession of the room or rooms.
- 7) "operator." Any individual, partnership, nonprofit or profit-making association or corporation or other person or group of persons that maintain, operate, manage, own or have custody of or otherwise possess the right to rent or lease overnight accommodations in a hotel to the public for consideration. This definition includes booking agents.
- 8) "rent." The consideration received 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, and also accommodation fees and any amount for which the occupant is liable for the occupancy without any deduction therefrom whatsoever, including any amount charged by a booking agent. The term "rent" shall not include a gratuity.

SECTION B.

The lodging room rental rate of tax shall be 5% of the consideration received by each operator of a hotel within Bucks County from each transaction of renting a room or rooms to accommodate travelers, visitors or those residing in the room(s) temporarily. Execution of this Ordinance shall be governed by Act 18 of 2016 and Act 109 of 2018, both enacted by the Pennsylvania General Assembly.

SECTION C.

- 1) The lodging room rental tax shall be collected by the operator from the patron of the room and paid over to the County of Bucks. The Bucks County Treasurer shall collect the tax and deposit the revenue in a special fund established solely for purposes of travel and tourism promotion and advertising related to travel and tourism promotion.
- 2) If a booking agent acts as a lodging operator and collects payment for rent, the booking agent must collect and remit any additional or optional hotel tax imposed under Article XVII of the act of August 9, 1955 (P.L. 323, No. 130), known as "The County Code" and imposed under this Ordinance; such collected and remitted tax shall be deposited in accordance with Section C. (1) above.

SECTION D.

Revenues shall be distributed as follows:

- 1) For purposes of defraying costs associated with collecting revenues and otherwise performing administrative obligations, pursuant to Act 18, Section 3, the County shall deduct and retain an administrative fee of four percent (4%) of the taxes collected in any taxable year.
- 2) Eighty percent (80%) of the net taxes collected (after deduction of the four percent (4%) administrative fee) is payable to the Bucks County Conference and Visitors Bureau (BCCVB), except for a twenty-five thousand dollar (\$25,000) annual allotment to the

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County of Bucks for one or more tourism promotion program(s) or tourism related project(s) chosen by the Bucks County Commissioners.

- 3) Twenty percent (20%) of the net taxes collected (after deduction of the four percent (4%) administrative fee) shall be allocated equally to the BCCVB and a "grant program for non-profit tourism," after fifty thousand dollars (\$50,000) is allotted annually and remitted to the County of Bucks for tourism promotion as designated by the Bucks County Commissioners. Grant funds from the "grant program for nonprofit tourism" shall be used by non-profit tourism related organizations in their marketing, special events, or capital projects, as long as there is a cash or in-kind local match of at least twenty-five percent (25%). The grant program shall be administered by the BCCVB and managed by a three member panel of which one member is selected by the Bucks County Commissioners, one member is selected by the BCCVB, and one member is selected cooperatively by both the Bucks County Commissioners and the BCCVB.

SECTION E.

Other than administrative and collection costs, the revenues shall be utilized for the following as set forth in Act 18, Section 3:

- 1) Marketing Bucks County as a leisure travel destination.
- 2) Marketing Bucks County as a convention, business or meeting travel destination.
- 3) Using all appropriate marketing tools to accomplish these purposes including advertising, publicity, publications, direct marketing, sales, technology and participation in industry trade shows that attract tourists or travelers to Bucks County.
- 4) Programs, expenditures or grants that directly and substantially relate to tourism or a business, convention or meeting travel destination within Bucks County and do not compete with private sector tourism and expand Bucks County as a destination market as deemed necessary by the Bucks County Conference and Visitors Bureau. (Grants shall have a cash or in-kind local match of at least twenty-five percent (25%) as stated in Section D (3) above).
- 5) Any other tourism program, expenditure or project or travel marketing or promotion program, expenditure or project that does not compete with private sector tourism and is deemed necessary by the Bucks County Conference and Visitors Bureau.

SECTION F.

The lodging room rental tax as established by this Ordinance shall be effective January 22, 2019.

SECTION G.

All Bucks County Commissioners' approved Resolutions or portions thereof and Bucks County Ordinances enacted that relate to the lodging room rental tax and that are in conflict with this Ordinance, or in conflict with Act 18 of 2016 or Act 109 of 2018, are hereby rescinded and repealed. Notwithstanding the foregoing, the provisions of this Ordinance, as far as these are the same as those of existing Resolutions, Regulations and Rules, shall be construed as a continuation of such Resolutions, Regulations and Rules and not as new enactments. The provisions of this Ordinance shall not affect any act done, liability incurred, or right accrued or vested, not affect any suit or prosecution, pending or to be instituted, to enforce any right or penalty, or punish any offense under the authority of the repealed Resolutions, Regulations and Rules.

SECTION H. SEVERABILITY

The provisions of this Ordinance are severable. If any sentence, clause or section of this Ordinance is for any reason found to be unconstitutional or invalid, it is hereby declared to be the intention of the Bucks County Commissioners that this Ordinance would have been adopted had such unconstitutional or invalid sentences or sections not been included.

SECTION I. EFFECTIVE DATE

This Ordinance shall be effective upon enactment.

ORDAINED AND ENACTED, by the Board of Commissioners of the County of Bucks, Commonwealth of Pennsylvania, this 16th day of January, 2019.

COUNTY OF BUCKS
BOARD OF COMMISSIONERS

Attest:

Deanna Giorno
Deanna Giorno
Chief Clerk
1/23/2019

[Signature]
Robert G. Loughery, Chairman
[Signature]
Charles H. Martin, Vice-Chairman
[Signature]
Diane M. Ellis-Marseglia, LCSW, Commissioner