

## **IC 6-9-10**

### Chapter 10. Wayne County Innkeeper's Tax

#### **IC 6-9-10-1**

##### **Application of chapter**

Sec. 1. This chapter applies to a county having a population of more than seventy-one thousand (71,000) but less than seventy-one thousand four hundred (71,400).

*As added by Acts 1980, P.L. 64, SEC.1. Amended by Acts 1982, P.L.1, SEC.16; P.L.12-1992, SEC.41; P.L.170-2002, SEC.37.*

#### **IC 6-9-10-2**

##### **Board of managers; creation; promotion of conventions and tourism**

Sec. 2. (a) There is created a seven (7) member board of managers (referred to as the "board" in this chapter) whose purpose is to promote the development and growth of the convention and tourism industry in the county.

(b) The board of county commissioners, by majority vote, shall appoint three (3) members of the board, one (1) of whom must be engaged in the lodging industry in the county, one (1) of whom must be a county commissioner in the county, and one (1) of whom must be a member of a chamber of commerce in the county. The city council of the county's largest city according to the last preceding United States decennial census shall, by majority vote, appoint three (3) members of the board, one (1) of whom must be engaged in the lodging industry in the county, one (1) of whom must be engaged in the travel industry in the county, and one (1) of whom must be a member of the chamber of commerce of the county's largest city. The mayor of the city having the largest population in the county according to the last preceding United States decennial census shall appoint one (1) member who must be a member of the county's business community.

(c) All terms of office begin on January 1 and end on December 31. Members of the board appointed by the county commissioners serve one (1) year terms, and the other members of the board serve two (2) year terms. If a vacancy occurs, a qualified person shall be appointed by the original appointing authority to serve for the remainder of the term.

(d) A board member may be removed for cause by his appointing authority.

(e) Members of the board may not receive a salary. However, board members shall receive reimbursement for necessary expenses incurred in the performance of their respective duties.

(f) Each board member, before entering his duties, shall take an oath of office in the usual form, to be indorsed upon his certificate of appointment, which shall be promptly filed with the clerk of the circuit court of his county of residence.

*As added by Acts 1980, P.L. 64, SEC.1. Amended by P.L.81-1985, SEC.4.*

### **IC 6-9-10-3**

#### **Meetings; officers; rules; quorum**

Sec. 3. After the first day of January each year, the board shall meet for the purpose of organization. They shall elect one (1) of their members to serve as president, another to serve as vice president, another to serve as secretary, and another to serve as treasurer. The members elected to those offices shall perform the duties pertaining to the offices. The first officers chosen shall serve from the date of their election until their successors are elected and qualified. The members shall be authorized to adopt such bylaws and rules and regulations as they deem necessary for the proper conduct of their proceedings, the carrying out of their duties, and the safeguarding of the funds and the property entrusted to their care. A majority of the board constitutes a quorum, and the concurrence of a majority of the board is necessary to authorize any action.

*As added by Acts 1980, P.L.64, SEC.1.*

### **IC 6-9-10-4**

#### **Funds; deposit; audit**

Sec. 4. All funds coming into possession of the board shall be deposited, held, secured or invested and paid in accordance with the general laws of the state relating to the handling of public funds. The handling and expenditure of funds coming into possession of the board is subject to audit and supervision by the state board of accounts.

*As added by Acts 1980, P.L.64, SEC.1.*

### **IC 6-9-10-5**

#### **"Person"; powers of board**

Sec. 5. (a) For purposes of this section, "person" includes a sole proprietorship, a partnership, an association, a corporation, a limited liability company, a fiduciary, or an individual.

(b) The board may:

- (1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions which the board deems necessary and desirable;
- (2) sue and be sued;
- (3) enter into contracts and agreements;
- (4) make rules and regulations necessary for the conduct of its business and the accomplishment of its purposes;
- (5) receive and approve, alter, or reject requests and proposals for funding by organizations; and
- (6) either:
  - (A) finance facilities; or
  - (B) enter into contracts with a person to assist in the financing of facilities;

to be used by the board or a person to promote the development and growth of the convention and tourism industry in the county.

(c) By resolution of the board and by ordinance of the county

fiscal body, the board and the county may jointly:

(1) pledge tax revenues received under this chapter to pay:

- (A) the principal of or interest on bonds;
- (B) the lease rental payments on leases; or
- (C) other obligations of the county;

to finance facilities described in subsection (b)(6); or

(2) require financial or other reports from:

- (A) any organization that receives funds under this chapter;
- or
- (B) any person who receives assistance to finance facilities under this chapter.

(d) The board may pledge tax revenues received under this chapter to pay the interest on obligations entered into by a person with whom the board has entered into a contract to assist in financing facilities under subsection (b)(6).

(e) A pledge of revenues under this section is enforceable under IC 5-1-14-4.

*As added by Acts 1980, P.L.64, SEC.1. Amended by P.L.224-2003, SEC.249.*

#### **IC 6-9-10-6**

##### **Tax on lodgings; collection; additional rate to finance facilities**

Sec. 6. (a) There is imposed a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodging, or accommodations in any hotel, motel, inn, university residence hall, tourist camp, or tourist cabin located in the county. However, the tax is not imposed on the renting or furnishing of rooms, lodgings, or accommodations to a person for a period of thirty (30) days or more, or on the renting or furnishing of any room, lodging, or accommodations in a university or college residence hall to a student participating in a course of study for which the student receives college credit from a college or university located in the county.

(b) The tax shall be imposed at the rate of three percent (3%) on the gross income derived from lodging income only. Except as provided in subsection (g), the fiscal body of the county may increase the tax rate up to a maximum rate of five percent (5%). The tax is in addition to the state gross retail tax imposed on such persons by IC 6-2.5.

(c) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected pursuant to IC 6-2.5.

(d) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and

administration of the tax imposed by this section except to the extent such provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. Specifically, and not in limitation of the foregoing sentence, the terms "person" and "gross income" have the same meaning in this section as they have in IC 6-2.5, except that "person" does not include state supported educational institutions.

(e) If the tax is paid to the department of state revenue, the returns to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax, as the department of state revenue may by rule determine.

(f) If the tax is paid to the department of state revenue, the amounts received from such tax shall be paid quarterly by the treasurer of state to the county treasurer upon warrants issued by the auditor of state.

(g) In addition to the rates authorized in subsection (b), the county fiscal body may adopt an ordinance to increase the tax by an additional rate of one percent (1%) on the gross income derived from lodging income, up to a maximum rate of six percent (6%), only to provide funds for the purposes described in section 5(b)(6) of this chapter.

(h) A tax rate imposed under subsection (g) may not be imposed for a time greater than is necessary to:

- (1) pay the costs of financing facilities; or
- (2) assist a person with whom the board has contracted to finance facilities;

described in section 5(b)(6) of this chapter.

(i) The county fiscal body may not take action to rescind the additional tax imposed under subsection (g) if:

- (1) the principal of or interest on any bonds;
- (2) the lease rentals due under any leases; or
- (3) any other obligation;

remains unpaid.

*As added by Acts 1980, P.L.64, SEC.1. Amended by P.L.19-1986, SEC.25; P.L.110-1987, SEC.1; P.L.108-1987, SEC.11; P.L.67-1997, SEC.11; P.L.224-2003, SEC.250.*

### **IC 6-9-10-7**

#### **Convention and tourism fund; account for revenues from additional tax rate**

Sec. 7. (a) The county treasurer shall establish a convention and tourism fund and shall deposit in the fund all money the county treasurer receives under section 6 of this chapter.

(b) The county treasurer shall establish an account of the fund into which the treasurer shall deposit all tax revenues received from the imposition of the additional tax rate under section 6(g) of this chapter. Money in the account shall be expended to pay:

- (1) debt service on bonds issued by the county to finance facilities described in section 5(b)(6) of this chapter; or

(2) interest on obligations entered into by a person with whom the board has entered into a contract to assist in financing facilities described in section 5(b)(6) of this chapter.

(c) Money in the fund shall be expended by the board to develop and promote the convention and tourism industry.

*As added by Acts 1980, P.L.64, SEC.1. Amended by P.L.224-2003, SEC.251.*

#### **IC 6-9-10-8**

##### **Transfer and use of funds restricted; offenses**

Sec. 8. (a) A person who approves the transfer of funds to any person not qualified under this chapter for that transfer, or approves a transfer for a purpose not permitted under this chapter, commits a Class D felony.

(b) A person who receives a transfer of funds under this chapter and knowingly uses the funds for any purpose other than a proposal approved by the board commits a Class D felony.

*As added by Acts 1980, P.L.64, SEC.1.*

#### **IC 6-9-10-9**

##### **Unique position of county to develop and promote convention and tourism industry**

Sec. 9. (a) A county described in section 1 of this chapter has been presented a unique opportunity to enter into a public-private partnership to develop conference facilities that will serve to develop and promote the convention and tourism industry in the county.

(b) A county described in section 1 of this chapter is uniquely positioned to develop and promote its convention and tourism industry due to its geographic location as a gateway to the state and the presence of at least two (2) national highways traversing its boundaries.

*As added by P.L.224-2003, SEC.252.*

#### **IC 6-9-10-10**

##### **Covenant protecting bondholders**

Sec. 10. With respect to:

(1) bonds, leases, or other obligations for which the county has pledged tax revenues under section 5 of this chapter; or

(2) bonds issued by a lessor that are payable from lease rentals; the general assembly covenants with the county, the purchasers or owners of the bonds or other obligations described in subdivision (1), and the owners of bonds described in subdivision (2) that this chapter will not be repealed or amended in any manner that will adversely affect the imposition or collection of the tax imposed under this chapter if the principal of any bonds, the interest on any bonds, or the lease rentals due under any lease remain unpaid.

*As added by P.L.224-2003, SEC.253.*