

Ordinance No. 5910

**AN ORDINANCE TO DEFINE “TRANSIENT GUESTS” FOR PURPOSES OF THE
OCCUPATIONAL TAX LEVIED ON HOTEL ROOMS IN BUSINESS IMPROVEMENT
DISTRICT NO. 1 (HOTEL BID) BY AMENDING SECTION 3.24.040 OF THE RAPID
CITY MUNICIPAL CODE**

WHEREAS, the City of Rapid City has established Business Improvement District No. 1 to market and promote the City of Rapid City and the hotels and motels located within the district; and

WHEREAS, Section 3.24.040 of the Rapid City Municipal Code imposes an occupation tax on rooms rented in the District; and

WHEREAS, confusion has arisen as to the definition of “transient guests” upon which the tax is imposed; and

WHEREAS, the Common Council deems it to be in the best interests of the City of Rapid City to define the term “transient guests” to make clear when the occupational tax is to be imposed by Section 3.24.040 of the Rapid City Municipal Code.

NOW THEREFORE, BE IT ORDAINED by the City of Rapid City, that Section 3.24.040 of the Rapid City Municipal Code be and is hereby amended to read in its entirety as follows:

3.24.040 Occupational tax imposed.

An occupational tax in the amount of \$2.00 per night shall be imposed upon transient guests, based upon rooms rented by any of the ~~above~~ hotels, motels or lodging establishments in the district. A transient guest is defined as any person paying a rental rate for a room based on a nightly, weekly, or other basis that is less than 28 consecutive days. This occupation tax shall be fair, equitable and uniform as to class. Organizations exempt from sales tax shall not be exempt from the occupational tax. No occupational tax may be imposed on any transient guest who has been offered a room by a lodging establishment on a complimentary basis, whereby no fee or rent is charged for such room. This tax rate shall be subject to establishment and adjustment by the Common Council, by resolution, in accordance with SDCL § 9-55-16.

CITY OF RAPID CITY

ATTEST:

Mayor

Finance Officer

(seal)