

ORDINANCE NO. 1307

**AN ORDINANCE OF THE CITY OF PALM DESERT,
CALIFORNIA, AMENDING SECTIONS 3.28.030 AND 3.28.070
OF TITLE 3 OF THE PALM DESERT MUNICIPAL CODE
RELATING TO TRANSIENT OCCUPANCY TAXES**

WHEREAS, the People of the City of Palm Desert ("People") have the authority under Article XIII C, Section 2 of the California Constitution and California Government Code Section 53723 to approve general tax measures within the City of Palm Desert ("City").

NOW THEREFORE, THE PEOPLE OF THE CITY OF PALM DESERT DO ORDAIN AS FOLLOWS:

Section 1. Section 3.28.030 of Chapter 3.28 of Title 3 of the Palm Desert Municipal Code is hereby amended to include the underlined language and delete the ~~stricken~~ language as follows:

"3.28.030 Tax Imposed.

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of ~~nine~~ eleven percent of the rent charged by the operator or otherwise payable by the transient. The tax constitutes a debt owed by the transient to the city, which is extinguished only by payment to the operator or to the city.

For purposes of this section, the rent deemed payable on account of occupancy of a time-share estate shall be the rent charged or otherwise payable to the time-share estate owner by a lessee of the time-share estate. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due when the transient ceases to occupy space in the hotel or time-share. If for any reason the tax due is not paid to the operator of the hotel or time-share, the tax administrator may require that such tax shall be paid directly to the tax administrator. Tax on occupancies in exchange for services of any kind is due and payable to the city by the operator, the amount of tax being determined on the basis of ~~nine~~ eleven percent of the current rental value of the accommodations furnished."

Section 2. Section 3.28.070 of Chapter 3.28 of Title 3 of the Palm Desert Municipal Code is hereby amended to include the underlined language and delete the ~~stricken~~ language as follows:

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"3.28.070 Returns and payment.

A. The tax imposed under Section 3.28.030 is due and payable to the tax administrator, on the first day of the month following the close of each calendar month and becomes delinquent on the first day of the second succeeding calendar month following the close of each calendar month.

B. Each operator shall, on or before the last day of the month following the close of each calendar month, or shorter reporting period which may be established by the tax administrator, complete a monthly transient occupancy tax form provided by the tax administrator of the total rents charged or chargeable as provided in Section 3.28.030, whether or not received, including any rentals charged for occupancies exempt under the provisions of Sections 3.28.020 through 3.28.040, and the amount of tax collected for transient occupancies. At the time the return is filed, the tax — fixed at the rate of ~~nine~~ eleven percent of the amounts of rentals charged or chargeable which are not exempt from tax under Sections 3.28.020, 3.28.040 and 3.28.120 — shall be remitted to the tax administrator. The tax administrator may establish shorter reporting periods and may require a cash deposit or bond for any permit holder, if he deems it necessary, to insure collection of the tax, and he may require further information in the return. 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 administrator.

C. Each operator shall notify the tax administrator, ten days prior to the sale or cessation of business for any reason and returns and payments are due immediately upon the sale or cessation of business."

Section 3. Proceeds of the tax imposed by this Ordinance shall be deposited into the general fund of the City and shall be available for all legal purposes.

Section 4. If any section, subsection, sentence, clause, phrase or provision of this Ordinance or the application thereof to any person or circumstances is held invalid or unconstitutional by any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other provision or application, and to this end the provisions of this Ordinance are declared to be severable. The People hereby declare that they would have passed this Ordinance and each section, subsection, sentence, clause, phrase or provision thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or provisions thereof be declared invalid or unconstitutional.


Section 5. If adopted, this Ordinance will increase the rate of the City's existing Transient Occupancy Tax, which is a general tax of the City, by two percent (2%). This Ordinance was proposed by the City Council of the City of Palm Desert through the approval and introduction of this Ordinance and the adoption of Resolution No. 2016-71.

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Section 6. This Ordinance shall take effect only if approved by a majority of the eligible voters of the City of Palm Desert voting at a General Municipal Election to be held on November 8, 2016, and shall take effect immediately after the City Council has certified the results of the General Municipal Election by resolution (Resolution No. 2016-94).

Section 7. The Mayor is hereby authorized to attest to the adoption of this Ordinance by the People voting thereon on November 8, 2016, by signing where indicated below.

I hereby certify that the foregoing Ordinance was **PASSED, APPROVED AND ADOPTED** by the People of the City of Palm Desert voting on the 8th day of November, 2016.



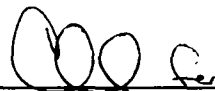
ROBERT A. SPIEGEL
MAYOR

ATTEST:

APPROVED AS TO FORM:



RACHELLE D. KLASSEN, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA



ROBERT W. HARGREAVES, CITY ATTORNEY
CITY OF PALM DESERT, CALIFORNIA

12-13-2016

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ORDINANCE CERTIFICATION

I, Rachelle D. Klassen, City Clerk of the City of Palm Desert, California, do hereby certify under penalty of perjury, that the Mayor of the City of Palm Desert signed the foregoing Ordinance No. 1307. It was introduced by first reading at a regular meeting of the City Council held July 28, 2016, by the following vote:

AYES: HARNIK, JONATHAN, TANNER, WEBER, and SPIEGEL

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

Ordinance No. 1307 was approved by a majority of the electorate at a General Municipal Election in the City held on November 8, 2016, and that the City Council of the City of Palm Desert, California, adopted Resolution No. 2016-94, declaring the November 8, 2016, Election results at a regular meeting held on December 8, 2016, by the following vote, to wit:

AYES: HARNIK, JONATHAN, TANNER, WEBER, and SPIEGEL

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE


RACHELLE D. KLASSEN, MMC
CITY CLERK