

CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2025-02

AN ORDINANCE AMENDING CHAPTER 94 “TAXATION”, ARTICLE III “OCCUPANCY”, OF THE CODE OF ORDINANCES OF THE CITY OF KERRVILLE, TEXAS, BY AMENDING VARIOUS SECTIONS RELATING TO THE IMPOSITION OF A HOTEL OCCUPANCY TAX; BY REVISING THE DEFINITION OF “CONSIDERATION” TO CLARIFY WHAT COSTS ARE SUBJECT TO THE TAX AND TO CLARIFY THE PROCESS FOR REPORTS AND AUDITS; CONTAINING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; ORDERING PUBLICATION; AND PROVIDING OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, Chapter 351 of the Texas Tax Code authorizes a city to impose a tax on the occupancy of hotel rooms within the city and its extraterritorial jurisdiction (ETJ); and

WHEREAS, City Council has previously enacted Chapter 94, Article III of the City’s Code of Ordinances (Code), which imposes a seven percent tax on the occupancy of hotel rooms within the City and its ETJ; and

WHEREAS, City Council finds it to be in the public interest to amend the Code to clarify the definition of “consideration” and the process for reports and audits;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

SECTION ONE. Chapter 94 “Taxation”, Article III “Occupancy” of the City’s Code of Ordinances is amended by amending Section 94-61 with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

“Sec. 94-61. - Definitions.

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Consideration means the cost of ~~the room in~~ a hotel room only if the room is ~~one~~ ordinarily used for sleeping, and ~~shall~~ does not include the cost of any food served or ~~the cost of~~ personal services rendered to the room or ~~occupant of such a~~ person in the room ~~except for those services~~ unless related to the cleaning and readying of such room for occupancy.

Costs include applicable fees necessary for occupancy, to include host and service fees and similar.

Hotel means any building in which members of the public obtain sleeping accommodations for consideration. The term ~~“hotel” shall~~ includes ~~, but not be limited to,~~ a hotel, motel, tourist home, tourist house, tourist court, lodging house, inn, rooming house, bed and breakfast, short-term rental unit, and an apartment not occupied by permanent residents. The term ~~“hotel”~~ does not include:

- (1) A hospital, sanitarium, or nursing home; or
- (2) A dormitory or other housing facility owned or leased and operated by an institution of higher education or a private or independent institution of higher education as those terms are defined by ~~V.T.C.A.,~~ Texas Education Code, §Section 61.003, and used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution.”

SECTION TWO. Chapter 94 “Taxation”, Article III “Occupancy” of the City’s Code of Ordinances is amended by amending Section 94-64 with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

“Sec. 94-64. - Reports and payment of tax.

On or before the 15th day of the month following each monthly~~ly period~~, every person required by section 94-63 to collect the tax imposed in this article shall ~~file~~ submit a written report ~~with~~ to the City director of finance or designee (director), and in a manner required by the director, showing the gross receipts paid for all room occupancies in the preceding monthly period, the taxable receipts for all room occupancies, the amount of tax collected on such occupancies, and any other information the director ~~of finance~~ may reasonably require, to include a copy of the hotel’s monthly tax report as filed with the state comptroller in connection with the state hotel occupancy tax. Monthly reporting is required regardless of whether or not occupancies occur and tax is due. Such persons shall pay the tax due on such occupancies at the time of filing of such report. Where the 15th day falls on a Saturday, Sunday, or holiday observed by the City, such report and payment ~~shall be~~ is due on the next business day. ~~At the time of payment of such tax, a copy of the hotel’s monthly tax report, as filed with the state comptroller in connection with the state hotel occupancy tax, shall also be furnished to the director of finance.”~~

SECTION THREE. Chapter 94 "Taxation", Article III "Occupancy" of the City's Code of Ordinances is amended by amending Section 94-65 with deleted language indicated by red, strikeout (~~deleted~~) and new language indicated by blue, underline (addition) as follows:

"Sec. 94-65. - City audit.

The director ~~of finance~~ shall be permitted to have access to books and records of the hotel that are compiled and maintained by the person required to pay the tax as imposed in this article. Such inspection may occur during reasonable business hours as shall be necessary to ~~enable the director of finance to~~ determine the correctness of any report filed under section 94-64, ~~and~~ to determine the correctness of the amount due under the provisions of this article, or to determine whether or not a report should have been filed and the amount, if necessary, of taxes due."

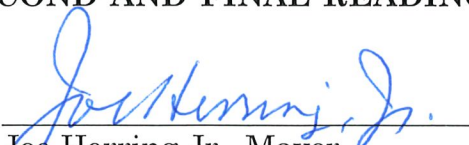
SECTION FOUR. The provisions of this Ordinance are cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this Ordinance are expressly repealed to the extent of any such inconsistency or conflict.

SECTION FIVE. The terms and provisions of this Ordinance shall be deemed to be severable in that if any portion of this Ordinance is declared to be invalid, the same shall not affect the validity of the other provisions of this Ordinance.


SECTION SIX. This Ordinance shall become effective immediately upon the expiration of ten days following publication, as provided for by Section 3.07 of the City Charter.

January **PASSED AND APPROVED ON FIRST READING, this the 14 day of**
_____ , A.D., 2025.

PASSED AND APPROVED ON SECOND AND FINAL READING, this
the 20 of January, A.D., 2025.


Joe Herring Jr., Mayor

APPROVED AS TO FORM:


Michael C. Hayes, City Attorney

ATTEST:


Shelley McElhannon, City Secretary