

CITY OF MANZANITA

Quarterly Transient Tax Report Instructions

(Please note that this form will self-calculate, so only enter the required figures on the Lines directed.)

Please be very careful to fill out your quarterly tax forms correctly and remit the correct amount of taxes and any penalties owed by their due date. You will be assessed and invoiced for staff time related to determining the correct amount of taxes owed to the City.

LINE 1. GROSS RENT: Enter the total amount of all consideration charged to the transient for occupancy - including all fees - assessed by the Owner, their agent or a Transient Lodging Intermediary, whether or not received by the Owner, that is not optional or refundable, excluding taxes. Rent is reported each quarter on stays that were completed in that quarter.

Manzanita Ordinance 16-03 Section 2 (g) defines Rent as: *The full consideration charged, whether or not received by the Transient Lodging Tax Collector, for the Occupancy of Transient Lodging valued in money or in goods, labor, credits, property, or other consideration valued in money, without any deduction. Except as otherwise provided in this section, Rent includes all fees, charges and assessments (including but not limited to processing fees, cleaning fees or fees for maid service and pet fees) charged, assessed or allocated by the Operator or Transient Lodging Intermediary for the Occupancy of the Transient Lodging, the payment of which is not optional and not refundable.*

Manzanita Ordinance 16-03 Section 7 A requires that: *The Tax shall not be paid to the City by the Transient Lodging Tax Collector until after the Transient has completed the stay. All Tax accrued or paid during an Occupancy that spans multiple calendar quarters shall be treated, for tax remittance purposes, as if collected on the last day of that Occupancy.*

2. LESS ALLOWABLE DEDUCTIONS:

Line 2.a) Enter the amount of rent collected for bookings that were for 30 consecutive days or more.

Manzanita Ordinance 16-03 Section 2 (k) defines Transient or Occupant as “*Any individual who exercises Occupancy or is entitled to Occupancy in Transient Lodging for a period of less than thirty consecutive days, counting portions of calendar days as full days. The day the Transient checks out of the Transient Lodging shall not be included in determining the thirty-day period if the Transient is not charged Rent for that day by the Transient Lodging Tax Collector. Any such Person so occupying space in a Transient Lodging shall be deemed to be a Transient until the period of twenty-nine days has expired unless there is an agreement in writing between the Transient Lodging Tax Collector and the Occupant providing for a longer period of Occupancy, or the tenancy actually extends more than twenty-nine consecutive days. In determining whether a Person is a Transient, uninterrupted periods of Occupancy by the same individual extending both prior and subsequent to the effective date of this Ordinance may be considered. A Person who pays for lodging on a monthly basis, irrespective of the number of days in such month, shall not be deemed a Transient.*”

Line 2.b) If you book through VRBO, enter the total amount of Rent that they collected and remitted taxes for. (Do not enter the amount of Tax that they collected and paid.)

Line 2.c) If you book through Expedia, enter the total amount of Rent that they collected and remitted taxes for. (Do not enter the amount of Tax that they collected and paid.)

Line 2.d) If you book through Airbnb, enter the total amount of Rent that they collected and remitted taxes for. (Do not enter the amount of Tax that they collected and paid.)

Line 2.e) If you book through Evolve, enter the total amount of Rent that they collected and remitted taxes for. (Do not enter the amount of Tax that they collected and paid.)

Line 2.f) TOTAL allowable deductions: The form will calculate the total of 2a, 2b, 2c, 2d and 2e on this Line.

Important Note: Make sure to verify that any agents or Transient Lodging Intermediaries that you use to book your property have collected and remitted the correct amount of Taxes on your bookings. You are responsible for ensuring that all taxes owed to the City are collected and paid, even if the error was made by one of them.

Manzanita Ordinance 16-03 Section 4 H states: *Operators of Transient Lodging and Transient Lodging Intermediaries are jointly and severally liable for the aggregate Tax collected each quarter, except in cases of nonpayment of Rent by the Occupant.*

LINE 3. TAXABLE RENTS: The form will subtract the amount entered on Line 2.f from the amount entered on Line 1 and enter that amount on this Line.

LINE 4. TAX CALCULATION: The form will calculate the gross 9% tax on this Line.

LINE 5. SUBTRACT COLLECTION FEE RETAINED: The form will subtract the 5% collection fee that you will retain from the gross tax listed on Line 4.

LINE 6. TOTAL TAX DUE: The form will subtract your collection fee on Line 5 from the gross tax listed on Line 4 to determine the net tax due on the taxable rent listed on Line 3. This is the amount of tax that will be remitted by you along with this form.

If you use an Intermediary and entered the amount of rent that the Intermediary collected taxes for on a line above, you will not include that amount of tax here. The Intermediary will send that tax along with a quarterly tax form for all of the taxes they collected for Manzanita. (For example, if you only rent through VRBO and Airbnb and they will be remitting all of your taxes to the City for you, this line should self-calculate to state that zero tax is due along with this form.)

LINE 7. PENALTIES:

Line 7.a) Delinquent one month after close of quarter: If you are submitting this form, whether or not any taxes are owed, after the last day of the month following this quarter, you must pay a penalty of either 10% of the net tax due (10% of Line 6) or \$100 – whichever is the greater amount. This penalty will not be less than \$100. Enter that amount on this line.

Line 7.b) Delinquent two months after close of quarter: If you are submitting this form after the last day of second month following this quarter, in addition to the penalty listed on Line 7.a, you must pay a second penalty of either 15% of the net tax due (15% of Line 6) or \$150 – whichever is the greater amount. This additional penalty will not be less than \$150. Enter that amount on this line.

LINE 8. INTEREST: In addition to the penalties listed above, interest is required to be assessed on all delinquent quarterly taxes submitted. Enter 1% of net taxes due (Line 6) for each month or portion of month beginning the first day of delinquency (the first day of the month following this quarter).

LINE 9. TOTAL PENALTIES & INTEREST: The form will calculate the total of Lines 7.a, 7.b and 8 and enter it on Line 9.

LINE 10. TOTAL TAX, PENALTIES & INTEREST: The form will add Line 6 and Line 9 and enter it on this line.

To avoid penalties and interest, payments must be received by this office before the last day of each quarter as laid out in Manzanita Ordinance 16-03.

LINE 11. ADJUSTMENT: If you were notified by City staff that you had an overage or a shortage of taxes paid on a previous quarterly submittal, you will enter that amount here. The form will either add or subtract the amount entered. For example, if you overpaid \$20.00, you will enter that amount on this line as -20.00 and it will subtract the over payment.

LINE 12. TOTAL TAX, PENALTIES & INTEREST DUE TO THE CITY (WITH THIS FORM):
This is the amount that is due to the City of Manzanita with this form.

SUBMITTAL AND PAYMENT: Email this completed form as a pdf attachment to STRprogram@ci.manzanita.or.us. Please do not send it in any other format or copy it into the body of the email. It must be sent as a pdf attachment. See instructions on how to create a pdf below if you are unsure of how to do this. Tax payments should be made via this link on the City website: https://secure.xpressbillpay.com/portal/payment_forms/?id=MzE1NTQ%3D. Please be aware that if you pay with an e-check the payment company does not charge you a processing fee. If you pay with a credit card, they will charge you a processing fee.

IMPORTANT INFORMATION

CHRONIC LATE SUBMITTALS: Per Ordinance 10-03 Section 4 “Failure to submit timely reports and make timely payment of Short-Term Rental taxes due may result in revocation of the Owner’s Short-Term Rental License. This provision applies to all Persons responsible for transient lodging tax reporting and payment for a given Short-Term Rental.”

DETERMINATIONS & RE-DETERMINATIONS: As stated in Ordinance 16-03 Section 17, the City is entitled to collect reasonable auditing costs by City staff and/or auditor fees to determine or re-determine Taxes owed to the City.

AUDITS: As outlined in Ordinance 16-03 Section 14, you are reminded to retain all information for a period of three and one half (3½) years as the City has the right to conduct audits. The owner is responsible for any back taxes and penalties which would be due and payable upon notification from this office.

PENALTIES MERGED WITH TAX: Per Ordinance 16-03 Section 8, “Every penalty imposed and such interest as accrued under the provisions of this Ordinance shall be merged with and become a part of the Tax required to be paid.”

FRAUD-REFUSAL TO COLLECT-EVASION: If the Tax Administrator determines that the nonpayment of any remittance due is due to fraud or intent to evade, a penalty of twenty-five percent (25%) of the amount of the tax will be added in addition to the penalties and interest assessed.

VIOLATIONS & PENALTIES 16-03: Per Ordinance 16-03 Section 18 “Violation of any provision of this Ordinance shall be considered a Class A Civil Infraction enforceable under the procedures described in Manzanita Ordinance No. 15-01 and subject to penalties described therein. The remedies provided by this section are not exclusive and shall not prevent the City of Manzanita and/or the Tax Administrator from exercising any other remedy available under the law and this Ordinance, nor shall the provisions of this Ordinance prohibit or restrict the City of Manzanita or other appropriate prosecutor from pursuing criminal charges under State law or City Ordinance. Each day that a violation remains uncured is a separate infraction.

Consistent with Section 4(H), Operators of Transient Lodging and Transient Lodging Intermediaries are jointly and severally liable for collection and remittance of the City of Manzanita’s Transient Lodging Tax and for compliance with all sections and provisions of this Ordinance.”

VIOLATIONS 10-03: Per Ordinance 10-03 Section 6 “Failure to comply with Transient Lodging Tax Ordinance 16-03 shall (1) result in an immediate violation and (2) provide grounds for immediate revocation of the Owner’s Short-Term Rental License.”

Please see Manzanita Ordinances 16-03 and 10-03 on the City website for more information:
<https://ci.manzanita.or.us/wp-content/uploads/2021/04/Ordinance-16-03-Transient-Lodging-Taxes.pdf>
<https://ci.manzanita.or.us/wp-content/uploads/2021/10/Ordinance-10-03-STR-regulations-revised-09.08.2021.pdf>

