

ORDINANCE NO. 2025-02

AN ORDINANCE ESTABLISHING A COUNTY
HOTEL/MOTEL TRANSIENT OCCUPANCY RENTAL UNITS TAX AND
RELATED MATTERS

WHEREAS, Franklin County, pursuant to law, presently does not have in effect any provisions in regard to a hotel/motel transient rental unit tax in effect within the county Code; and

WHEREAS, Franklin County deems it to be in the best interests of the citizens of the County and the public in general that provisions regarding a hotel/motel and transient/occupancy rental unit tax be implemented as provided herein;

WHEREAS, the County Board of Franklin County deems it to be an appropriate exercise of the corporate authority of the County granted by the Illinois Revised Statutes, Chapter 34, Paragraph 409.12 and relevant statutes, including, but not necessarily limited to, the power to impose a tax upon all persons renting, leasing or letting rooms in a hotel and/or motel, amend the present hotel/motel and transient occupancy rental unit tax as provided herein.

NOW, THEREFORE, BE IT ORDAINED BY FRANKLIN COUNTY, ILLINOIS, AS FOLLOWS:

Section 1. That the corporate authorities hereby find that all of the recitals hereinbefore stated as contained in the preamble to this ordinance are full, true and correct and do hereby, by reference, incorporate and make them apart of this ordinance as legislative findings.

Section 2. That prospectively, this Ordinance hereby establishes prospectively to provide as follows:

I: Definitions.

Certain words or terms herein shall have the meaning ascribed to them as follows:

“**Hotel**” means a structure kept, used or maintained as or advertised or held out to the public to be an inn, motel, hotel, apartment, home, lodging house, dormitory or place where sleeping, rooming, office, conference or exhibition accommodations are furnished for lease or rent, whether with or without meals. For avoidance of doubt, Transient Occupancy Rental Units are Hotels under this definition.

“**Transient Occupancy Rental Unit**” means a dwelling unit or a habitable unit that is offered, in whole or in part, for rent, lease or hire that is rented, leased or hired

for which a Lessor receives consideration from a period for a period of thirty (30) days or less and that person has the right to use, occupy or possess all or part of the dwelling unit or habitable unit for said period.

“Lessor” is any person having a sufficient proprietary interest in conducting the operation of a Hotel, or receiving the consideration for the rental of all or part of such Hotel, so as to entitle such person to all or a portion of the net receipts thereof, including Facilitators, as defined herein.

“Facilitators” is any person or entity who provides a means through which a person may book a Hotel room and/or Transient Occupancy Rental Unit to Lessees, regardless of whether payment is transferred through or processed by such Facilitator. Facilitators are considered Lessors, as used herein.

“Online Travel Company” is an organization that books, reserves, or rents hotel or motel rooms and makes other travel arrangements for consumers via the World Wide Web, internet or other digital means. Online Travel Companies are considered Facilitators, as used herein.

“Lessee” is any person who pays for the privilege of occupying all or part of a Hotel.

“Gross Rent” means the total amount of consideration for occupancy, valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property or services of any kind or nature, including but not limited to, amounts charged for the making, booking, facilitating or servicing of reservations. Gross rent means both (a) the “net rate” paid to the hotel or motel by a Facilitator for room occupancy by the consumer; and (b) the amount retained by the Facilitator for travel-related services provided to the consumer (sometimes referred to as a “facilitation fee”), and any additional amounts retained by the Facilitator as compensation for its services to the consumer for the individual transaction, or, in the instance of a consumer’s direct rental of a room with the hotel or motel, gross rent shall mean the amount charged by the hotel or motel directly to the consumer for the occupancy of the room.

“Person” means any natural person, receiver, administrator, executor, conservator, assignee, trust in perpetuity, trust, estate, firm, co-partnership, joint venture, club, company, business trust, domestic or foreign corporation, association, syndicate, society or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise, whenever the term “Person” is used in any clause prescribing and imposing a penalty, the term as applied to associations shall mean the owners or part-owners thereof, and as applied to corporations, the offices thereof, or any other entity recognized by law as the subject of rights and duties.

“Permanent resident” means any person who has occupied or has the right to occupy all or part of a Hotel for more than (30) consecutive days.

III: Hotel Use Tax Imposed.

- A. There is levied and imposed a tax of five (5) percent of the Gross Rent charged for the privilege and use of renting a Hotel room within the County for each twenty-four (24) hour period of any portion thereof for which a room charge is made.
- B. Accommodations within said buildings or structures which are leased to the same occupant for a period of more than thirty (30) consecutive days shall be exempt from the tax provisions of this Article.
- C. Lessors renting or leasing Hotel rooms within the County are required to collect the Hotel Use Tax; however, the ultimate incidence of any liability for payment of the tax is to be borne by the Lessee.
- D. The Hotel Use Tax shall be paid in addition to any and all other taxes and charges.
- E. It shall be the duty of every Lessor of every Hotel within the County to separately state such tax at the five (5) percent rate upon the total amount of compensation charged for the use of the Hotel. The Lessor shall also state separately the amount of tax on the invoice for the transaction that will be tendered to the Lessee.
- F. It shall be the duty of every Lessor of every Hotel within the County to collect the tax from the Lessee at the time the Lessee pays for the privilege of occupying all or part of a Hotel Transient Occupancy Rental Unit, and to remit to the County the tax under procedures provided for in this chapter or otherwise prescribed by the County. If more than one Person is the Lessor as related to a particular transaction, the Lessors are jointly and severally responsible for collecting and remitting the tax.
- G. It shall not be a defense to this ordinance that the Lessor is not licensed by the County to rent Hotels and the Lessor will still be required to remit the proper tax to the County.
- H. All funds collected by the County under this tax shall be expended solely to promote tourism within Franklin County but may be approved of fund distribution by the Board.

III. Rules and Regulations.

The County Treasurer may promulgate rules and regulations not inconsistent with the provisions of this chapter concerning enforcement and application of this chapter. The phrase "rules and regulations" includes, but is not limited to, case-by-case determination of whether or not the tax imposed by this chapter applies.

IV. Registration.

Each hotel and/or motel located within the boundaries of Franklin County, or applicable Facilitator transacting on behalf of properties within Franklin County, shall file a "Certificate of Registration" within the office of the Treasurer, whose office is located at the Franklin County Courthouse, _____, Benton, Illinois. Registration forms will be available to each hotel and/or motel Lessor through the office of the Treasurer of Franklin County.

It is the duty of the hotel and/or motel Lessor to update the "Certificate of Registration" form on an annual basis. The final date for filing and updating the "Certificate of Registration" shall be December 15 of each given year hereafter following the effective date of this Ordinance. Any new business coming under license to do business as a hotel and/or motel within Franklin County, or applicable Facilitator transacting on behalf of properties within Franklin County, shall file a "Certificate of Registration" no later than 30 days following the first day of operation as a new hotel and/or motel business.

V. Transmittal of Tax Revenue.

A. The Lessor of each Hotel within the County shall file returns and remit collected taxes to the County Treasurer showing tax receipts received with respect to each Hotel during each monthly period commencing on September 1, 2025, and continuing on the first day of every month thereafter on forms prescribed by the County. The return shall be due on or before the last day of the calendar month succeeding the end of the monthly filing period.

B. The first taxing period for the purpose of this chapter will commence on September 1, 2025, and the tax return and payment for such period shall be due on or before October 1, 2025. Thereafter, reporting periods and tax payments shall be in accordance with the provisions of this chapter. At the time of filing such tax returns, the owner shall pay to the County all taxes due for the period to which the tax return applies.

VI: Penalties.

A one percent (1%) late penalty will be due and payable to the County of Franklin should any hotel and/or motel Lessor fail to file an "Occupancy Tax Report" by the end of each given month, and an additional one percent (1%) each month thereafter.

VII: Other Actions Authorized.

The officers, employees and/or agents of the County shall take all action necessary or reasonable required to carry out, give effect to and consummate the amendments contemplated by this ordinance and shall take all action necessary in conformity therewith. The officers, employees and/or agents of the County are specifically authorized and directed to draft and disseminate any and all necessary forms to be utilized in connection with these amendments. Any and all actions previously performed by officials, employees and/or agents of the County in connection with carrying out and consummating the intent of this ordinance are hereby authorized, approved and ratified by this reference.

Section 4. Headings: That the headings of the articles, sections, paragraphs and subparagraphs of this Ordinance are inserted solely for the convenience of reference, and form no substantive part of this Ordinance nor should they be used in any interpretation or construction of any substantive provision of this ordinance.

Section 5. Publication of Ordinances: That this ordinance shall be published in accordance with all applicable state and local laws. Copies of this ordinance shall be made available to the public upon request at the County Clerk's office.

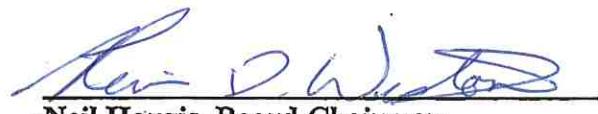
Section 6. Application: That this ordinance shall be liberally construed and administered to supplement all of the County's tax ordinances. To the extent that any ordinance is in conflict with or inconsistent with this ordinance, this ordinance shall be controlling.

Section 7. Severability: That if any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

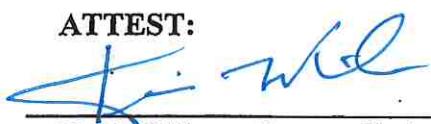
Section 8. Effective Date: That this ordinance shall be in full force and effect for all Hotel bookings made on or after September 1, 2025.

ORDINANCE NO. 2025-02 ESTABLISHING A COUNTY
HOTEL/MOTEL TRANSIENT OCCUPANCY RENTAL UNITS AND RELATED
MATTERS IN THE COUNTY OF FRANKLIN, STATE OF ILLINOIS is passed,
approved, and adopted this 15 day of JULY, 2025.

FRANKLIN COUNTY BOARD OF
COMMISSIONERS


Neil Hargis, Board Chairman
KEVIN D. WESTON, VICE-

ATTEST:



Kevin Wilson, County Clerk and Recorder