

INSTRUCTIONS FOR COMPLETING THE REPORT OF HOTEL OCCUPANCY TAX

Who Must File:

You must file this report if you are a sole owner, partnership, corporation, or other organization that owns, operates, manages, or controls any hotel, motel, short-term rental, or bed and breakfast within the City Limits and the Extraterritorial Jurisdiction of Smithville. Complete and detailed records must be kept of all receipts reported, and exemptions or reimbursements claimed so that reports can be verified. Failure to file this report and pay applicable tax may result in penalties pursuant to the City of Smithville's Local Hotel Occupancy Tax Ordinance (Chapter 11 Taxation, Article 11.04. Hotel Occupancy Tax).

When to File:

The report and appropriate tax payment are due on the last day of the month following the end of the Quarter. Reports must be filed for every quarter, even if you have no amount subject to tax or no tax due. If the due date falls on a Saturday, Sunday, or City holiday, the next business day will be the due date.

Specific Instructions:

Total Receipts: Enter the total amount of all gross taxable room receipts during the reporting period. This includes cleaning fees.

Exemptions: If applicable, enter the total amount of receipts for the guest claiming an exemption. A Texas Hotel Occupancy Tax Exemption Certificate (Form 12-302) must be completed (and attached to the form) for each exemption claimed on this line. Enter "0" or leave blank if this does not apply. Tax is not imposed on Permanent Residents (Guests who stay 30 consecutive days or more).

Taxable Receipts: Subtract the Exemptions from the Total Receipts.

Tax Rate: 7% for the City of Smithville.

Tax: Enter Total Hotel Occupancy Tax due for the reporting period by multiplying the Total Receipts by the Tax Rate.

Discount: Payments made on or before the DUE DATE following the end of the REPORTING PERIOD, where no outstanding delinquent report exists, may withhold a 1% discount. NON-QUALIFIERS LEAVE BLANK.

Penalty: If applicable, enter the penalty amount due if taxes were postmarked/paid AFTER the due date. Enter "0" or leave blank if this does not apply. The late penalty is 5% for 1-30 days late and 10% for 31 or more days late. **1st Example:** The 1st Quarter HOT Tax Amount Due was \$1,000 and was paid on May 1st (the due date was April 20th, resulting in an 11-day late payment). Therefore, your penalty is 5% of \$1,000, which is \$50. **2nd Example:** 1st Quarter HOT Tax Amount Due was \$1,000 and was paid on May 25th (the due date was April 20th, you are 35 days late), so your penalty is 10% of \$1,000, which is \$100.

Interest: If applicable, the rate is 10% (per annum) beginning 60 days after the due date. To calculate interest, multiply tax (line 5) by 10%, then multiply by the number of days over 60, then divide by 365, and enter the result. **Example:** 1st Quarter Hot Tax Amount (line 5) Due \$1,000 and was paid on December 31st. The due date was April 30th, so you are 10 months / 240 days late (60 days = 180 days of interest). \$1,000 multiplied by 10% equals \$100. \$100 multiplied by 180 (days of interest) equals \$18,000. Divide \$18,000 by 365 (days in a non-leap year), which equals \$49.32, the interest due.

Amount Due: Total amount due and payable to the City of Smithville.

Payment Information: Print & sign the completed form and remit with the payment to the City of Smithville. By mail: City of Smithville, ATTN: Hotel Occupancy Tax, P.O. Box 449, Smithville, TX 78957. Deliver in person to: City of Smithville, 317 Main Street, Smithville, TX 78957 (M-F, 8 am-5 pm).

For Assistance:

Call Jessica Cleghorn at 512-237-3282 Ext. 2112 or email jcleghorn@ci.smithville.tx.us with any questions.