

**CITY OF GUSTAVUS
ORDINANCE FY26-03**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF
TITLE 4 CHAPTER 14 SECTION 030 IMPOSITION OF ROOM RENTAL TAX**

BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:

- Section 1. Classification. This ordinance is of general and permanent nature and shall become a part of the City of Gustavus Municipal Code.
- Section 2. Severability. If any provisions of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and its application to other persons, or circumstances shall not be affected thereby.
- Section 3. Enactment. Now therefore, it is enacted by the Gustavus City Council that Title 4 Chapter 14 Section 030 to be amended as follows:

Bold and Underlined items are additions. Strikeout items are deletions.

TITLE 4 -

Chapter 4.14 -

Section 4.14.030

- (a) There shall be levied and collected a tax equal to four (4) percent on hotel/motel room rentals within the city.

(b) There shall be sales tax applied to any sale subject to the room tax in Section 4.15.030.

~~(b) There shall be no room tax on any sale subject to sales tax in Section 4.15.030.~~

- (c) Each guest is responsible for the room rental tax imposed by this chapter and the **sales tax imposed by Section 4.15.030. The total tax** shall be due and payable the month the guest departs. The tax shall apply to all rentals where the guest indicated that the room, or rooms, will be occupied by the guest for less than thirty (30) days. Rentals which are less than thirty (30) consecutive days shall be subject to the room tax even if the room or rooms were originally taken with the intent to use or occupy for thirty (30) or more consecutive days. Any unpaid tax shall be due and payable when the guest ceases to occupy or use space in the hotel/motel **or other room rental accommodations.**

- (d) Every hotel/motel operator renting rooms **or any other person renting rooms** subject to taxation under this chapter shall collect the taxes imposed by this chapter from the guest ~~at the time of collection~~ and shall transmit the same, monthly, to the city, unless the operator is allowed or directed by ~~the city administrator or city treasurer~~ to file for a different time period (i.e. quarterly or annually).

Section 4. Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council and ratification by the voters in the October 2025 municipal election.

Date Introduced: August 11, 2025

Date of Public Hearing: September 8, 2025

PASSED and **APPROVED** by the Gustavus City Council this 11th day of August, 2025.

Sally A. McLaughlin, Mayor

Attest: Liesl M. Barker, City Clerk