ORDINANCE 2011-5

ORDINANCE TO INCREASE HOTEL-MOTEL TAX TO 3%

WHEREAS, Section 15 of the Charter of the City of Millington authorizes the Board of Mayor and Aldermen to levy a privilege tax upon the privilege of occupancy in any hotel or motel, as defined in said Section 15, in an amount up to three (3) percent of the rate charged for such occupancy; and

WHEREAS, on March 2, 2009, the Board adopted Ordinance 2009-2 on third and final reading, and thereby levied such a tax in the amount of one and one-half percent (1.5%) of the rate charged by the operator of each Hotel, as set out in said Ordinance; and

WHEREAS, the Board deems it to be in the best interest of the City to increase said privilege tax as set out herein;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF MILLINGTON, TENNESSEE, as follows:

Section 1. Levy of Hotel Tax. The privilege tax levied pursuant to Ordinance 2009-2 in the amount of one and one-half percent (1.5%) of the rate charged by the operator of any Hotel located within the City of Millington (as defined in Section 15(a)(4) of the Charter of the City of Millington) is hereby increased to three percent (3%) of the rate charged by the operator of the Hotel for such occupancy, exclusive of the amount of taxes payable to other governmental entities.

Section 2. Expiration. The additional one and one-half percent (1.5%) privilege tax levied by this Ordinance shall expire as of July 31, 2013. Effective as of August 1, 2013, the privilege tax levied by ordinance 2009-2 shall again be one and one-half percent (1.5%) of the rate charged by the Hotel operator unless the Board of Mayor and Aldermen increases the rate by ordinance.

Section 3. Other Sections of Ordinance 2009-2 in Full Force and Effect. Except as expressly amended by this Ordinance, all provisions of Ordinance 2009-2 shall remain in full force and effect as previously adopted.

Section 4. This Ordinance shall take effect ten days after its adoption on third and final reading, the public welfare requiring it.

First Reading: June 6, 2011
Second Reading: June 13, 2011
Third Reading: June 20, 2011

Richard L. Hodges, Mayor

Bruce Rasmussen, City Clerk and Treasurer