

RESOLUTION R2020-__

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
NAPA, STATE OF CALIFORNIA, DEFERING PAYMENT
OF TRANSIENT OCCUPANCY TAXES AND TRANSIENT
OCCUPANCY SPECIAL TAXES FOR 61 DAYS, FOR
TAXES IMPOSED IN THE MONTHS OF FEBRUARY AND
MARCH 2020**

WHEREAS, the City imposes a Transient Occupancy Tax ("TOT") on each operator of a hotel, in the amount of 12% of rent charged, in accordance with and as more particularly defined by, Napa Municipal Code ("NMC") Chapter 3.20; and

WHEREAS, the City imposes a Transient Occupancy Special Tax ("Special Tax") on each operator of a hotel, in the amount of 1% of rent charged, in accordance with and as more particularly defined by, Napa Municipal Code ("NMC") Chapter 3.22; and

WHEREAS, for the purpose of this resolution, the phrase "Transient Tax" shall mean the combined 13% tax comprised of the 12% TOT plus the 1% Special Tax; and

WHEREAS, the global pandemic known as the Coronavirus (COVID-19) has greatly impacted all sectors of the economy; and

WHEREAS, the City's hotel industry has been directly compromised by a drastic reduction in tourism as a result of COVID-19;

WHEREAS, on March 15, 2020, the City Manager issued Proclamation No. P2020-001, proclaiming the existence of a Local Emergency in the City of Napa to respond to the Coronavirus (COVID-19); and

WHEREAS, on March 16, 2020, the City Council adopted Resolution No. R2020-037, ratifying and continuing the Local Emergency as documented in P2020-001; and

WHEREAS, consistent with the authority set forth in R2020-037, in an effort to provide an opportunity for local hotel operators to manage their operating capital without penalty, while retaining the City's authority to collect Transient Tax at a later date, the City Council intends to delay the due date for Transient Taxes imposed in February and March for 61 days, as set forth in this resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Napa as follows:

ATTACHMENT 1

1. For all Transient Taxes that were imposed on transients for the month of February 2020 (per NMC Sections 3.20.020 and 3.22.030), that would have otherwise been due to the City by April 10, 2020 (per NMC Sections 3.20.060 and 3.22.030), the City Council hereby defers the due date (for filing the return and remitting payment) from April 10, 2020 until June 10, 2020. Any Transient Tax that is not filed and paid by the deferred due date of June 10, 2020 shall be subject to all penalties and interest set forth in the Napa Municipal Code, including NMC Sections 3.20.070 and 3.22.030.

2. For all Transient Taxes that were imposed on transients for the month of March 2020 (per NMC Sections 3.20.020 and 3.22.030), that would have otherwise been due to the City by May 10, 2020 (per NMC Sections 3.20.060 and 3.22.030), the City Council hereby defers the due date (for filing the return and remitting payment) from May 10, 2020 until July 10, 2020. Any Transient Tax that is not filed and paid by the deferred due date of July 10, 2020 shall be subject to all penalties and interest set forth in the Napa Municipal Code, including NMC Sections 3.20.070 and 3.22.030.

3. The City Council hereby finds that the facts set forth in the recitals to this resolution are true and correct and establish the factual basis for the City Council's adoption of this resolution.

4. This Resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the City Council of the City of Napa at a public meeting of said City Council held on the 31st of March, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____

Tiffany Carranza
City Clerk

Approved as to form:

Michael W. Barrett

City Attorney