

HAILEY ORDINANCE NO. 1035

AN ORDINANCE OF THE CITY OF HAILEY, IDAHO, AMENDING CHAPTER 5.32 OF THE HAILEY MUNICIPAL CODE WHICH AUTHORIZES THE IMPOSITION OF CERTAIN NON-PROPERTY TAXES, TO-WIT: A THREE PERCENT (3%) TAX ON RENTAL VEHICLE AND ON HOTEL-MOTEL OCCUPANCY CHARGES, A TWO PERCENT (2%) TAX ON RETAIL SALE OF LIQUOR BY-THE-DRINK, AND A ONE PERCENT (1%) TAX ON THE SALE OF RESTAURANT FOOD, TO PROVIDE FOR A TWENTY YEAR DURATION OF THE NON-PROPERTY TAXES EFFECTIVE ON JULY 1, 2010 AND TO DELETE THE AUTHORITY OF A RETAILER TO RETAIN ANY TAX IN EXCESS OF THE AMOUNT COLLECTED IN SECTION 5.32.030(E) OF THE HAILEY MUNICIPAL CODE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A REPEALER CLAUSE; AND PROVIDING AN EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, the Mayor and Hailey City Council find that the City derives the major portion of its economic well-being from people catering to recreational needs;

WHEREAS, the Mayor and Hailey City Council find that the City has a significant economic dependence upon visitors and travelers passing through or staying in the city;

WHEREAS, the Mayor and Hailey City Council find that visitors and travelers to the City of Hailey require municipal services which place an undue burden upon City taxpayers;

WHEREAS, the Mayor and Hailey City Council find that the volume of visitors has increased the impact on City services, including emergency response services, and increased the impact on City parks, streets and other City infrastructure;

WHEREAS, in 2006, the voters of the City of Hailey adopted a local option tax providing for a three percent (3%) tax on rental vehicle and hotel-motel occupancy charges, a two percent (2%) tax on retail sale of liquor by-the-drink, and a one percent (1%) tax on the sale of restaurant food for a four (4) year period; and

WHEREAS, on November 3, 2009, the voters of the City of Hailey adopted a local option tax providing for a three percent (3%) tax on rental vehicle and hotel-motel occupancy charges, a two percent (2%) tax on retail sale of liquor by-the-drink, and a one percent (1%) tax on the sale of restaurant food for a twenty (20) year period effective on July 1, 2010; and

WHEREAS, the Mayor and the Hailey City Council find that the local option tax approved in 2006 and 2009 has been beneficial to the residents of the City of Hailey and that the local option tax approved in 2006 should be extended for a twenty (20) year term with the effective date of this ordinance to begin on July 1, 2010.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF HAILEY, IDAHO, AS FOLLOWS:

SECTION 1. Section 5.32.030(E) of the Hailey Municipal Code is amended by the deletion of the stricken language, as follows:

5.32.030 Imposition of Certain Non-Property Taxes. The City hereby imposes and shall collect certain non-property taxes as follows:

(E) Fractional Portion: When the Sales Price involves a fraction of a dollar, the non-property tax shall be collected on that fractional portion of the price adding thereto the tax based upon the following bracket system:

Rental Vehicle and Hotel-Motel Occupancy Taxes (3%)

\$.01	to	\$.24	\$0.00
.25	to	.49	0.01
.50	to	.74	0.02
.75	to	.99	0.03

(Each whole dollar \$0.03)

Liquor By-The-Drink Tax (2%)

\$.01	to	\$.33	\$0.00
.34	to	.66	0.01
.67	to	.99	0.02

(Each whole dollar \$0.02)

Restaurant Food Tax (1%)

\$.01	to	\$.49	\$0.00
.50	to	.99	0.01

(Each whole dollar \$0.01)

The retailer shall calculate the tax upon the entire amount of purchases of the consumer made at a particular time subject to this ordinance, and not separately upon each item purchased. ~~The retailer may retain any amount collected under the bracket system which is in excess of the amount of tax for which he is liable to the City during the period as compensation for the work of collecting the tax.~~

Section 2. Section 5.32.040 of the Hailey Municipal Code is amended by the addition of the underlined language and the deletion of the stricken language, as follows:

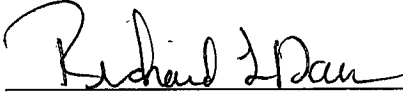
5.32.040 Duration of Taxes. The non-property taxes authorized and collected under this ordinance are hereby imposed for a duration of ~~four (4)~~ twenty (20) years from the effective date of this ordinance.

Section 3. **SEVERABILITY CLAUSE.** If any section, paragraph, sentence or provision hereof or the application thereof to any particular circumstances shall ever be held invalid or unenforceable, such holding shall not affect the remainder hereof, which shall continue in full force and effect and applicable to all circumstances to which it may validly apply.

Section 4. **REPEALER CLAUSE.** All Ordinances or Resolutions or parts thereof in conflict herewith are hereby repealed and rescinded.

Section 5. **EFFECTIVE DATE.** This Ordinance shall be in full force and effect on July 1, 2010, and after its passage, approval and publication according to law

PASSED AND ADOPTED BY THE HAILEY CITY COUNCIL AND APPROVED BY THE MAYOR THIS 30TH DAY OF NOVEMBER, 2009.



Richard L. Davis, Mayor, City of Hailey

Attest:



Mary Cone, City Clerk



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