

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARROLLTON, TEXAS AMENDING SECTIONS 38.30 AND 38.31 OF THE CITY OF CARROLLTON CODE OF ORDINANCES REGARDING THE COLLECTION OF HOTEL OCCUPANCY TAX ON SHORT-TERM RENTAL AND BED AND BREAKFAST PROPERTIES; ESTABLISHING DEFINITIONS; LEVYING A TAX RATE; ESTABLISHING A PENALTY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Carrollton, Texas (the “City”) is a Home-Rule municipality possessing the full power of local self-government pursuant to Article 11, Section 5 of the Texas Constitution, Section 51.072 of Texas Local Government Code and its Home Rule Charter; and

WHEREAS, Section 54.004 of the Texas Local Government Code provides that a home rule municipality may enforce ordinances necessary to protect health, life, and property and to preserve the good government, order, and security of the municipality and its inhabitants; and

WHEREAS, the City is further authorized to enact and enforce minimum standards relating to the use and occupancy of structures pursuant to Subchapter A of Chapter 214 of the Texas Local Government Code; and

WHEREAS, the City is authorized to enact and enforce a hotel occupancy tax pursuant to V.C.T.A., Tax Code Chapter 35; and

WHEREAS, the taxation on hotels, motels, and similar transient housing business operations including short-term rentals and bed and breakfasts within the City is necessary and essential to the economic health of the community; and

WHEREAS, the City has established a hotel occupancy tax that is imposed on hotels and other transient uses, but not short-term rentals or bed and breakfasts which are also transient uses for financial gain; and

WHEREAS, the imposition of a hotel occupancy tax on short-term rentals and bed and breakfasts will assist with the preservation and protection of property values and the City’s tax base within the City; and

WHEREAS, the City Council finds that it is necessary and proper for the good government, health, and safety of the City to adopt an updated tax ordinance to enact taxation on short-term rentals and bed and breakfast operations.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CARROLLTON, TEXAS, THAT:

SECTION 1.

All the above premises are found to be true and correct legislative and factual findings of the City Council, and they are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2.

The Code of Ordinances of the City of Carrollton Title III, Chapter 38, Section 38.30 is hereby amended to read as follows:

“Hotel Occupancy Tax

Sec. 38.30. Definitions.

For the purpose of this subchapter the following definitions shall apply unless the context clearly indicates or requires a different meaning:

Bed and Breakfast. A residential premise, or portion thereof, used for lodging accommodations to occupants for a period of less than thirty (30) days and which is permanently occupied by the property owners listed on the county appraisal district records for which the property is located.

Consideration. The cost of the room in that hotel, short-term rental, or bed and breakfast only if the room is one ordinarily used for sleeping and shall not include the cost of any food served or personal services rendered to the occupant of that room not related to the cleaning and readying of the room for occupancy.

Hotel. Any building or buildings in which the public may, for a consideration, obtain sleeping accommodations. The term shall include hotels, motels, tourist homes, houses, or courts, lodging houses, inns, rooming houses, or other buildings where rooms are furnished for a consideration, but hotel shall not be defined as so include hospitals, sanitariums, or nursing homes.

Occupancy. The use or possession, or the right to use or possession, of any room in a hotel, short-term rental, or bed and breakfast if the room is one ordinarily used for sleeping and if the occupant's use or possession, or right to use or possession extends for a period of fewer than 30 days.

Occupant. Anyone who, for a consideration, uses, possesses, or has a right to use or possess any room in a hotel, short-term rental, or bed and breakfast if the room is one ordinarily used for sleeping.

Short-term rental. A residential premise, or portion thereof, used for lodging accommodations to occupants for a period of less than thirty (30) days that is not permanently occupied by the property owners listed on the county appraisal district records for which the property is located.”

SECTION 2.

The Code of Ordinances of the City of Carrollton Title III, Chapter 38, Section 38.31 is hereby amended to read as follows:

“Sec. 38.31. Levy of tax; rate; exceptions.

Under the provisions of V.T.C.A., Tex. Tax Code, Chapter 351, there is hereby levied a tax upon the cost of occupancy of any sleeping room furnished by any hotel, short-term rental, or bed and breakfast where the cost of occupancy is at the rate of \$2.00 or more per day, the tax to be equal to seven percent of the consideration paid by the occupant for the room to that hotel, exclusive of other occupancy taxes imposed by other governmental agencies.”

SECTION 3.

Any person violating a provision of this Ordinance, upon conviction, is guilty of an offense punishable as provided in Section 10.99 of the Carrollton City Code.

SECTION 4.

The provisions of this Ordinance are severable in accordance with Section 10.07 of the Carrollton City Code.

SECTION 5.

All other provisions of the Carrollton Code of Ordinances not expressly amended as stated herein shall remain in full force and effect.

SECTION 6.

This Ordinance shall be cumulative of all provisions of ordinances and of the Code of Ordinances of the City of Carrollton, Texas, except where the provisions of this Ordinance are in direct conflict with provisions of such ordinances and such codes, in which event the conflicting provisions of such ordinances and such codes are hereby repealed.

SECTION 7.

This Ordinance shall become effective on and after its adoption and publication.

DULY PASSED AND APPROVED by the City Council of the City of Carrollton, Texas this 6th day of December 2022.

CITY OF CARROLLTON, TEXAS

Steve Babick, Mayor

ATTEST:

Chloe Sawatzky, City Secretary

APPROVED AS TO FORM:

Meredith Ladd,
City Attorney

APPROVED AS TO CONTENT:

Cory Heiple,
Environmental Services Director