

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MT. SHASTA
PROPOSING AN INCREASE OF THE UNIFORM TRANSIENT OCCUPANCY TAX
(HOTEL TAX) OF THE CITY OF MT. SHASTA BE SUBMITTED TO THE VOTERS
FOR APPROVAL AND FIXING TIME FOR ELECTION

BE IT RESOLVED by the City Council of the City of Mt. Shasta as follows:

Section 1. Authority. This Resolution is adopted pursuant to Government Code Section 53720, et seq.

Section 2. Title. This Resolution may be cited as the “Uniform Transient Occupancy Tax Resolution of 2023.”

Section 3. Proposal. California Revenue and Taxation Code Section 7280 provides that cities may levy a tax on the privilege of occupying a hotel room or other lodging for not more than 30 days, called a “transient occupancy tax,” commonly known as a “hotel tax.”. Section 3.12.020 of the Mt. Shasta Municipal Code establishes the City’s hotel tax at ten percent (10%) which was last increased in 1995. It is proposed that a general tax measure to increase the hotel tax to twelve percent (12%) be submitted to the voters of the City of Mt. Shasta at the election on Tuesday, November 7, 2023. Such action is taken pursuant to California Constitution Article XIII C, §2(b) which requires that any general tax be passed by a two-thirds vote of the legislative body, and by a majority of the voters voting in an election on the tax which is consolidated with a regularly scheduled general election of members of the governing body.

Section 4. Rate to be Charged as a General Tax. The Mt. Shasta City Council does hereby find that an increase in an existing general tax, specifically the hotel tax, by two percent (2%) and which will be collected by the operators of hotels as provided Chapter 3.12 of the Mt. Shasta Municipal Code, is in the best interests of the City of Mt. Shasta.

Section 5. General Tax. The City Council finds and declares that this hotel tax is a general tax, for general governmental purposes, and not a special or ad valorem tax. This general hotel tax which is deposited into the City’s General Fund pays for essential City services that benefit both residents and visitors. These services may include, but are not limited to fire protection, law enforcement, emergency response and preparedness services, facilities and equipment maintenance, and other general City services.

Section 6. Method of Collection. This general hotel tax, if confirmed by the voters, shall be collected as provided in the Chapter of the Mt. Shasta Municipal Code and is estimated to generate an additional \$245,000 annually for a total of \$1,477,000 with all money to be used locally.

Section 7. Election Date. The proposed general hotel tax shall be submitted to the voters of the City of Mt. Shasta at the election to be included and consolidated with the Siskiyou County Special election held on November 7, 2023. Notice of the time and place of holding the election is given and the County Clerk is requested to give further or additional notice of the election, in time, form, and manner as required by law.

Section 8. Effective Date of Tax. This Resolution, being for the enactment and imposition of a general hotel tax, shall be submitted to a vote of the qualified voters at the election held on November 7, 2023. The hotel tax shall become valid and binding if a majority of the voters voting thereon vote in its favor at said election and shall become permanent, unless repealed or amended, and will be effective on July 1, 2024.

Section 9. Severability. If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, unconstitutional, or otherwise unlawful, by the decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution, the application thereof, and the general taxes imposed shall not be effected thereby but shall remain in full force and effect, it being the intention of the voters to adopt each and every section, subsection, part, clause, sentence, or phrase, regardless of whether any other section, subsection, part, clause, sentence, or phrase or the application thereof is held to be invalid or unconstitutional. The Mt. Shasta City Council hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that one or more of the sections, subsections, sentences, clauses, or phrases be declared invalid, unconstitutional, or unlawful.

NOW, THEREFORE, BE IT RESOLVED by the Mt. Shasta City Council, pursuant to its right and authority, that the following question is ordered submitted to the voters of the City of Mt. Shasta and placed on the ballot for vote at the election to be held November 7, 2023:

“MEASURE _____

To provide funding (all funds used locally) for infrastructure and general City services, including, but not limited to, fire protection, law enforcement, rescue, emergency response and preparedness, and maintaining facilities and equipment, shall the City increase the transient occupancy tax (hotel tax) rate from 10% to 12% on July 1, 2024, with an estimated increase of \$245,000 generated annually from the resulting tax and will remain in effect until repealed or amended?

YES _____

NO _____”

Notice of the time and place of holding the election is given, and the County Clerk is requested and authorized to give further or additional notice of the election, in time, form, and manner as required by law.

IT IS FURTHER RESOLVED that the election be included and consolidated with the election on November 7, 2023.

PASSED, APPROVED, AND ADOPTED at a regularly scheduled meeting of the Mt. Shasta City Council, this 26th day of June, 2023, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSE:

CITY OF MT. SHASTA

TESSA CLURE
Mayor

ATTEST:

KATHRYN JOYCE
City Clerk

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