COUNTY OF PLACER

DIVISIONS:
- Administration
- Information Technology
- Telecommunications
- Procurement Services
- Revenue Services
- Central Services
- Records Management

ADMINISTRATIVE SERVICES DEPARTMENT

CLARK L. MOOTS, DIRECTOR

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December 26, 2007

To All Transient Occupancy Tax Certificate Holders:

Transient Occupancy Tax Notification

As a result of a recent audit conducted by the Internal Audits Division of the Placer County Auditor-Controller's Office regarding compliance with the Transient Occupancy Tax Ordinance, it has been determined that any "room-related fees and services necessary to occupy space" is subject to TOT tax. Per the Ordinance, the definition of rent "means the consideration charged, whether or not received, for the occupancy of the space in a hotel valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits, property and services of any kind or nature without any deduction there from whatsoever." Other receipts and services subject to TOT tax would include, but is not limited to, resort fees, reservation fees, gratuity fees, energy surcharge fees, maid fees, and cleaning fees.

Therefore, effective January 1, 2008, if you are not already doing so, you must collect and remit tax on all room-related fees and services.

Additionally, the Ordinance (SEC.4.16.020) was recently updated to address rent with respect to package deals. Per the Ordinance, "Rent does not include any additional items included in a special package rate, such as ski passes . . . , as long as the operator separately states the rent and tax from other amounts on all receipts and books of record. If additional benefits or services are not stated separately . . . , the entire amount shall be presumed to be rent."

If you would like more information regarding Transient Occupancy Taxes, please visit our website at www.placer.ca.gov/Departments/Admin/Revenue.aspx. If you have questions regarding the information in this letter please contact Sandy Conte, Revenue Services Manager, at 530-889-7795.

Sincerely,

Clark L. Moots
TOT Tax Administrator
Director of Administrative Services