

TRANSIENT OCCUPANCY TAX EXEMPTIONS/EXCLUSIONS

This is to assist lodging establishments operating in the City of Santa Rosa in properly collecting Transient Occupancy Taxes (TOT) and applicable Business Improvement Area assessments. The TOT Ordinance (City Code Section 3-28) is available for your review by accessing our website at www.srcity.org/tot. If you have any questions, please call our office at (707) 543-3170. Our office is located at 90 Santa Rosa Ave (City Hall - Annex Bldg). You can send us a fax at (707) 543-3136 or an email at revenue@srcity.org.

EXEMPTIONS:

1) Any person as to whom, or any occupancy as to which, it is beyond the power of the City to impose the tax herein provided; *There are 2 specific situations applicable to this first exemption:*

A) The City of Santa Rosa exempts employees of insurance companies doing business in California on official business. To allow this exemption, you are required to have this person complete all the information on the Exemption Certificate we provide. Any insurance company employee who does not show you a valid identification and written documentation that they are on official company business during their stay at your establishment is NOT exempt.

B) We exempt the American Red Cross from payment of TOT when it would otherwise be imposed directly on, and paid directly by, the American Red Cross.

2) Any Federal or State of California officer or employee when on official business;

The City of Santa Rosa does not exempt City, County and School District employees on official business. Any Federal or State of California officer or employee who does not provide you a valid identification and written documentation that they are on official Federal or State of California business during their stay at your establishment is NOT exempt.

3) Any officer or employee of a foreign government who is exempt by reason of express provision of federal law or international treaty. No exemption shall be granted except upon a claim therefor made at the time rent is collected and under penalty of perjury using our Exemption Certificate form.

EXCLUSIONS:

4) This office has created a policy clarifying the imposition of the tax on those persons defined as "transients" under section 3-28-010(D) of the City Code. It states that the tax will apply as follows: The tax will be imposed on persons occupying space in a hotel until the period of thirty (30) consecutive calendar days has expired unless there is an agreement in writing between the operator and the occupant for a longer period of occupancy. Absent an agreement, anyone occupying space for more than thirty (30) consecutive days will be exempt from the tax after the first thirty (30) consecutive days.

- **Without** a written agreement
 - First 30 days are subject to the Tax
 - Day 31 and after – no Tax
- **With** a written agreement providing for a longer period of occupancy (more than 30 consecutive days)
 - The exclusionary period begins the day the agreement is signed

To allow a valid TOT exemption, you are required to have this person complete all the information on the Exemption Certificate we provide. As our Exemption Certificate notes, a separate exemption certificate is required for each occupancy and for each representative. If any Exemption Certificate is incomplete or illegible to ascertain if the exemption is valid or not, we will consider this as an invalid exemption. You are liable for any TOT and applicable BIA assessment due on any invalid exemption or any completed Exemption Certificate missing or lost. You must keep and preserve records for a period of four (4) years.