

5.2700 MUNICIPAL ROOM TAX ORDINANCE

5.2701 Purpose/Authority

Whereas, Section 66.0615 of Wisconsin Statutes provides for the imposition of a Room Tax; and

Whereas, it is deemed to be in the best interest of the Town of Lakewood to implement a Room Tax for the general promotion of tourism, hospitality, and recreational facilities around the Town of Lakewood and

Now, therefore, the Town of Lakewood does hereby enact the following ordinance:

5.2702 Definitions

In addition to the terms defined in this Section, the terms used in this Ordinance shall have definitions, in any, set forth in the Room Tax Act (as defined below).

- (A) "Hotel, Motel and Short-term Rentals" shall mean a building or group of buildings in which the public may obtain accommodations for consideration, including without limitation, such as inns, motels, tourist homes, apartment hotels, resort lodges, and cabins and any other building or group of buildings in which accommodations are available to the public, except accommodations rented for continuous period of more than 30 days and accommodations furnished by any hospital, sanatorium or nursing home, or by corporations or associations organized and operated exclusively for religious, charitable or educational purposes, provided that no part of the net earnings of such corporations and associations inures to the benefit of any private shareholder or individual.
- (B) "Gross Receipts" shall mean the total revenue received from the retail furnishing of rooms, lodging or similar accommodations by a Hotel, Motel or Short-term Rental, and defined herein calculated prior to the payment, imposition, or expense of any cost, including but not limited to, rental commissions.
- (C) "Operators" shall mean hotelkeepers, motel operators, lodging marketplaces, owners of short-term rentals, and other persons furnishing accommodations that are available to the public, which are located in the Town of Lakewood to pay Room Tax under this Ordinance.
- (D) "Quarterly Payment Date" shall mean each January 31, April 30, July 31, and October 31, each of which is the last day of the month next succeeding the end of a calendar quarter.
- (E) "Rental Agents" shall mean any person(s) or businesses who is not the lodging owner but who is collecting payments for the rental of facilities as described above, for one or more lodging owners or businesses covered under this ordinance.
- (F) "Room Tax" shall mean a tax on the privilege of furnishing, at retail, except sales for resales, rooms or lodging to transients by the Operators, pursuant to the Room Tax Act.
- (G) "Room Tax Act" shall mean Section 66.0615 of the Wisconsin Statutes, as amended from time to time.
- (H) "Room Tax Commission" shall consist of four (4) to six (6) members who shall be appointed by the principal elected official in the municipality and shall be confirmed by a majority vote of the members of the municipality's governing body who are present when the vote is taken. One of the commission members shall represent the Wisconsin hotel and motel industry. Commissioners shall serve for a one-year term, at the pleasure of the appointing official, and may be reappointed.
- (I) "Room Tax Permit" shall mean a permit issued by the Town of Lakewood annually to owners of Hotels, Motels, or other as defined in Section 1 of this Ordinance.
- (J) "Transient" shall mean any person residing for a continuous period of less than 30 days in a hotel, motel or other furnished accommodations available to the public.

5.2703 Imposition of Tax

Pursuant to §66.0615, Wis. Stats., a tax of five percent (5%) is hereby imposed on the privilege and service of furnishing, at retail, except sales for resale, rooms or lodging to transients by the Operators. Operators shall remit all Room Taxes to the Town Treasurer in accordance with the requirements of this Ordinance and the Room Tax Act. Such Room Tax shall not be subject to the selective sales tax imposed by Wis. Stats., Section 77.52(2)(a)(1), sales to the Federal Government, sales for resale or persons listed under Wis. Stats. 77.54(9a).

(A) The revenue collected from the Room Tax shall be allocated as follows:

- a. Thirty percent (30%) shall remain with the Town of Lakewood said funds shall be used as the town sees fit.
- b. Seventy percent (70%) shall be used for tourism promotion and tourism development.

5.2704 Collection and Administration

- (A) This section shall be administered by the Town Clerk. The tax imposed is due and payable within 30 days of the end of each quarter. A return shall be filed with the Town Clerk by those furnishing at retail such rooms, lodging or sites within the Town on or before the same date on which such tax is due and payable upon a form approved by the Town. Every person required to file such quarterly returns shall file an annual calendar year return. Such annual return shall be filed within 30 days of the close of each calendar year.
- (B) The annual return shall summarize the quarterly returns, reconcile and adjust for errors in the monthly returns and shall contain certain additional information as the Town Clerk requires. The Town Clerk may, for good cause, extend the time for filing any return, but in no event longer than 30 days from the filing date.
- (C) Whenever the Town has probable cause to believe that the correct amount of Room Tax has not been assessed or that the return is not correct, the Town shall inspect and audit the financial records of any person subject to the Room Tax to determine whether or not the correct amount of Room Tax is assessed and whether or not any Room Tax return is correct.
- (D) Any person who is subject to the tax imposed by this section who fails or refuses to permit the inspection of financial records by the Town Clerk after such inspection has been requested by the Town Clerk shall be subject to a forfeiture not to exceed five percent (5%) of the tax the Town determines to be due.

5.2705 Tourism Commission

The Tourism Commission shall consist of four (4) to (6) members who shall be appointed by the principal elected official in the municipality and shall be confirmed by a majority vote of the members of the municipality's governing body who are present when the vote is taken. Commissioners shall serve for a one-year term, at the pleasure of the appointing official, and may be reappointed. The Tourism Commission shall make recommendations to the Town Board of Lakewood on how the Municipal Room Tax proceeds are to be spent. The Town Board of Lakewood will Authorize the expenditures.

5.2706 Liability for Room Tax on Sale or Transfer of Business.

If any Operator sells or transfers all or substantially all of its interest in its hotel, motel or other lodging accommodation, its successors or assigns shall withhold sufficient amounts from the purchase price to pay any amount of Room Tax liability due through the sale or transfer date until the Operator produces a receipt from the Town's Treasurer that its liability has been paid in full or a certificate stating that no Room Tax amount is due. If a successor Operator fails to withhold such amount from the purchase price as required, such successor Operator shall be become liable for payment of the Room Tax amount it is required to withhold.

5.2707 Schedule of Forfeitures

In addition to paying the Room Taxes due hereunder, any Operator that has failed to pay any Room Tax when due shall be required to pay a forfeiture in an amount to 25 percent of the Room Tax due from the Operator to the Town for the previous year and unpaid, or \$5,000.00, whichever is less, for failure to pay the Room Tax due hereunder.

5.2708 Required Records

Every person liable for the tax imposed by this section shall keep or cause to be kept such records, receipts, invoices and other pertinent papers in such form as the Town Clerk requires.

5.2709 Confidentiality of Information

To the extent permitted under the law, the information provided to the Town under Wis. Stats. § 66.0615(2) shall remain confidential; provided, however, that the Town or any employee thereof may use such information in the discharge of duties imposed by law or of the duties of their office or by order of a court. Persons violating the provisions of this subsection may be required to forfeit not less than \$100.00 nor more than \$500.00.

5.2710 Enforcement

The Town shall enforce this article in accordance with the Room Tax Act and the Town's Short-Term Rental Ordinance 5.2600

5.2711 Severability

The provisions of this Ordinance shall be deemed severable, if any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portion of this Ordinance.

5.2712 Effective Date

This Ordinance shall take effect as publication required under § 60.80, Wis. Stats.

Dated this 10th day of November 2025

Motion by Joanne Roy, Seconded by Mike Musil

[Signature]

Micheal Musil, Chair

[Signature]
Joanne Roy, Supervisor

[Signature]
James Bostwick, Supervisor

Original Draft: 09/11/2023
Amended: 11/10/2025

Attested by:

[Signature]
Michelle Moczynski, Clerk

Posted in the in the following places for 30 days following passage on: Nov. 10, 2025

Town Administrative Building/Town Website, Lanoa Bank and SuperValue.