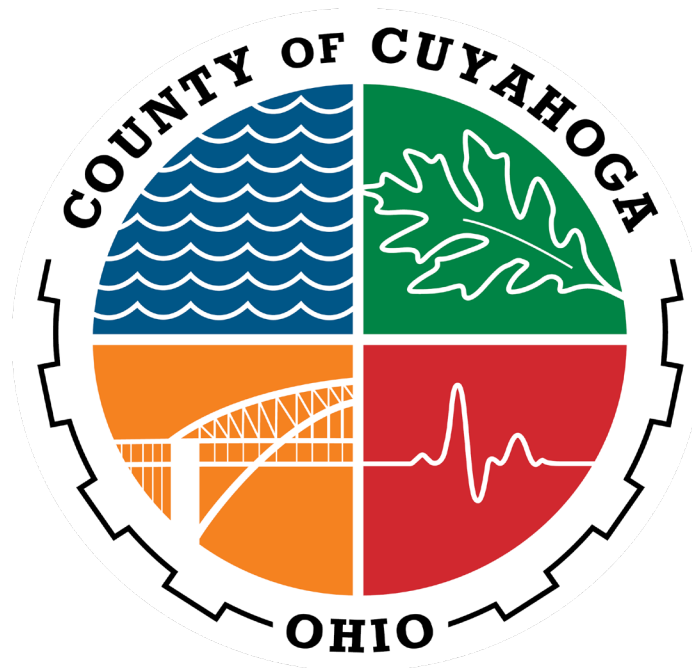


# CODE OF REGULATIONS

## CUYAHOGA COUNTY -Lodging Bed Tax Division -



2079 EAST NINTH STREET, 3<sup>RD</sup> FLOOR  
CLEVELAND, OHIO 44115  
TELEPHONE (216) 443-7140  
Passed 2000; Updated 2024



## Table of Contents

Title.....	3
Definitions.....	3-4
Levy of the Tax, When Collectable; Exemptions; Presumption.....	4-6
Liabilities of Vendor and Consumer.....	6-7
Returns; Due Date; Remission of Penalties; Procedures Thereon Failure to File; Form .....	7-8
Amended Returns.....	8
Assessments, Liabilities of Vendor and Consumer.....	8
Maintenance and Inspection of Records; Assessments;.....	9-11
Procedure Following Assessment.....	11
Liability of Officers and Agents.....	12
Sale of Entire Business.....	12
Examples.....	13
Intent.....	14
Severability.....	14
Capability of Vendor's Equipment; Vendor's Responsibility for Full Amount of Tax Levied...	14
Settlement of Tax Fund.....	14-15
Responsibilities of Convention Bureau and County.....	15
Recognition Local Governments Who Have Additional 3% Tax.....	15



## Title

This Code of Regulations shall be known and may be cited and referred to as the “Cuyahoga County Excise Tax on Lodging of Transient Guests, Code of Regulations”. The Bed Tax was enacted in May, 1980, pursuant to **ORC 5739.024** amended and renumbered as **ORC 5739.09**.

## Definitions

As used in the following Sections of the Cuyahoga County Excise Tax on Lodging of Transient Guests, Code of Regulations:

- A. **“Fiscal Officer”** means the Cuyahoga County Fiscal Officer and any of his/her assistants designated to assist in administering and enforcing the collection of the excise tax on lodging of transient guests herein levied and imposed, who are hereby assigned all of the duties and authority of Cuyahoga County to administer and enforce the collection of such tax. **ORC 302.30**
  
- B. **“Council”** means the County Council in Cuyahoga County in the State of Ohio.
  
- C. **“County”** means the County of Cuyahoga, State of Ohio.
  
- D. **“Consumer”** means the person, whether or not a guest, who pays or is obligated to pay the rent for the lodging of transient guest(s) in a hotel. **ORC 5739.01(D)(1)**
  
- E. **“Hotel”** means every establishment kept, used, maintained, advertised, or held out to the public to be a place where sleeping accommodations are offered to guests, whether such rooms are in one or several structures. For purposes of this tax, Cuyahoga County resolved, effective July 1, 2004 (Resolution No. 41710) that the definition of “hotel” shall include establishments with fewer than five (5) rooms for the accommodation of guests. **ORC 5739.01(M) and 5739.09(G)**.
  
- F. **“Lodging”** means one (1) or two (2) or more connecting rooms in which sleeping accommodations are provided for a transient guest(s).
  
- G. **“Person”** includes individuals, receivers, assignees, trustees in bankruptcy, estates, firms, partnerships, associations, joint-stock companies, joint ventures, clubs, societies, corporations, the state and its political subdivisions, and combinations of individuals of any form. **ORC 5739.01(A)**.
  
- H. **“Premises”** includes any real property or portion thereof upon which any person engages in selling tangible personal property at retail or making retail sales and also includes any real property or portion thereof designated for, or devoted to, used in conjunction with the business engaged in by such person. **ORC 5739.01(K)**



- I. **“Rent”** means the aggregate value in money or anything paid or delivered, or promised to be paid or delivered for hotel lodging, without any deduction for the cost of labor, service, property used, interest discount paid after the price is paid or agreed to be paid, or any other expense. **“Rent”** does not include:
1. Amounts refunded for lodging not used, when the rent, or any portion thereof, and tax are refunded by cash or credit; nor
  2. Cash discounts allowed at the time the lodging is furnished or contracted to be furnished;
  3. Refundable deposits, until such deposits are actually applied to rents due and owing.
- J. **“Tax”** means, except where otherwise specified, the tax levied and imposed hereby.
- K. **“Transient guest(s)”** means person(s) occupying a room or rooms for dwelling, lodging, or sleeping accommodations for less than thirty (30) consecutive days.
- L. **“Vendor”** means a person who owns or operates a hotel that furnishes lodging to guests and includes the agents and employees of such person who performs the functions on behalf of the vendor. **“Vendor”** also includes the owner, lessee, management company/ accountant and mortgagor in possession of the real estate upon whose premises the vendor operates or has operated a hotel, when the vendor is or becomes a non-resident of Ohio or conceals his/her whereabouts or property. The vendor shall have an Ohio Retail Sales Tax Vendor License in order to operate a business pursuant to **ORC 5739.17**.
- M. **“Provision of Accommodations”** means an act or process of providing a service or amenity to a guest, which is directly related to the lodging space such as rollaways, safe fees, pet fees, cleaning fees, etc.

### **Levy of Tax; When Collectable; Exemptions; Presumption; Taxable Transactions**

- A. An excise tax is hereby levied and imposed upon each transaction in Cuyahoga County by which lodging is or is to be furnished by a vendor to a transient guest or guests, at the rate of five and one-half percent (5 ½%) prior to January 1, 2020, and of six and one-half percent (6 ½%) and thereafter of the rent for each such transaction.
- B. The tax applies and is collectable when the lodging is furnished, regardless of the time when the rent is paid or delivered.



- C. For the purpose of the proper administration, and to prevent evasion of the tax, it is presumed that all rents for hotel rooms in the County are subject to the tax until the contrary is established.
- D. The tax is not a part of the rent and shall be separately stated as such on every rent invoice, bill, statement or other written charge therefore.
- E. The tax does not apply to transactions for lodging furnished to representatives of the United States government which are paid directly by the Federal government; the government of any state, excluding Ohio, or any of their political subdivisions. Such transactions will be considered for an exemption by filing a **Cuyahoga County Tax Exemption Report** together with the bill, statement, or invoice and copies of payment received. For every transaction which the vendor claims is exempt pursuant to this section, the vendor must be able to produce sufficient documentation of the exempt status. For Federal Government exemptions, the portion of the government credit card number, as identified by the Federal Government and Ohio Department of Taxation as authorizing the exemption, used for each individual transaction must be documented. The vendor is required to retain such records in the same manner as other lodging tax records. **Cuyahoga County Hotel/Motel Tax Exemption Report must be submitted with each Monthly Return in order for the exemption to be considered.** (See Website: <https://fiscalofficer.cuyahogacounty.us/en-US/LodgingTax> )
- F. The tax does not apply to transactions involving Contracted-Rooms that maintain possession of room(s) for sleeping accommodations for its' employees for 30 or more days based on a month to month stay. Such transactions will be considered for an exemption by filing a **Cuyahoga County Tax Exemption Report** together with the bill, statement, or invoice and copies of payment received. Additional documentation needed to establish Contracted-Rooms for purposes of obtaining an exemption includes, but is not limited to, contract defining the terms of the length of stay, rent, and time period, folios, daily room cards, daily sign-in sheets of guests, and similar documents which identify each consecutive day of stay with the applicable room rate charged for each date. **Cuyahoga County Hotel/Motel Tax Exemption Report must be submitted with each Monthly Return in order for the exemption to be considered.** (See Website: <https://fiscalofficer.cuyahogacounty.us/en-US/LodgingTax> )
- G. The tax does not apply to optional services which may include: room service; porter or bellboy service, valet services, pay-for-view movies; charges for telephone services, or other miscellaneous charges not related to the provision of accommodation and which are stated separately from the charge for lodging.
- H. The **tax does apply** to Vendor charges for: additional bed(s), bedding, and housekeeping; use of refrigerator/microwave, pet accommodations; safes or other similar services which are charged in addition to the room charge and are amenities to the room which relate to the provision of accommodations.
- I. The **tax does apply** to the room portion of any "package rate." Any vendor offering a package rate must separately identify on the guest receipt and/or other records of the vendor, at the time of furnishing of lodging, the room portion of the package rate, the transient occupancy tax applicable to the room portion of the package rate and the non-room portion of the package rate. The vendor shall bear the burden of proving that the allocation of taxes between the room portion and the non-room portion of the package rate was properly made and that the correct amount of taxes were collected and remitted to the appropriate agencies.



- J. The **tax does apply** to a receivable room charge including non-refundable deposits or guaranteed no show revenue/fees, for which the vendor has a contractual right to collect, paid by on or behalf of any person, whether or not the person actually exercises the right to occupancy by using or possessing any room or rooms, or portion thereof, whether it be termed “cancellation fee” or “attrition” or “bad debt” or other term with similar meaning.
- K. The **tax does apply** to a receivable room charge termed or perceived as Comp or Complimentary Lodging when a room is provided to a consumer by exchange/earned stay, the tax is applied pursuant to **ORC 5739.01**.
- L. The **tax does apply** to the room portion of transactions paid by Gift Certificates.

### **Liabilities of Vendor and Consumer**

- A. The tax is imposed upon and shall be paid by the consumer to the vendor as trustee solely for the benefit of Cuyahoga County, and each vendor as such trustee shall collect from the consumer the full and exact amount of the tax payable on each taxable transaction in the manner and at the times provided as follows:
  - 1. If the price is, at or prior to the transaction, paid in cash, check, draft, or money order by the consumer to the vendor, the vendor shall collect the tax with and at the same time as the price.
  - 2. If the price is otherwise paid or to be paid, the vendor shall, at or prior to the furnishing of lodgings, charge the tax to the account of the consumer, which amount shall be collected by the vendor from the consumer in addition to the price.
- B. Each such transaction shall be reported on, and the amount of the tax applicable thereto shall be remitted with the return for the calendar month in which the transaction occurs and the amount of the tax shall become a legal charge in favor of the vendor and against the consumer.
- C. To the extent the vendor fails to collect the tax, from the consumer upon each taxable transaction, or having collected the tax, fails to return and remit the same when due, the tax is hereby imposed and levied upon the vendor. This paragraph does not affect any duty of a vendor nor the liability of any consumer to pay the tax, both as imposed upon each hereunder; but any payment of tax by the vendor or the consumer reduces the liability of the other to the County to the extent of the payment.
- D. Within thirty (30) days after commencing business or changing business name, management company or ownership, each operator of any hotel or motel renting lodging to transient guests shall complete a



registration form (See Website: <https://fiscalofficer.cuyahogacounty.us/en-US/LodgingTax>) for said hotel or motel with the Fiscal Officer by means of purchasing an Ohio Retail Sales Tax Vendor License and obtaining from the Fiscal Officer a “Transient Occupancy Registration Certificate” to be at all times posted in a conspicuous place on the premises. Said certificate shall among other things, state the following:

1. The name of the operator;
2. The address of the hotel;
3. The date upon which the certificate was issued;

“This **Transient Occupancy Registration Certificate** signifies that the person named on the face hereof has fulfilled the requirements of the Cuyahoga County Lodging Excise Tax Code of Regulations by registering with the Fiscal Officer for the purpose of collecting from transient guests the Lodging Excise Tax and remitting said tax to the Fiscal Officer. This Certificate does not constitute a permit.

### **Returns; Due Date; Remission of Penalties; Procedure Thereon; Failure to File; Form**

- A. Each vendor shall, on or before the 21<sup>st</sup> day of each month (no exceptions for holidays or weekends), complete and file a full return with the Fiscal Officer for the preceding calendar month on the forms prescribed, showing all the information required thereon, including the amount of tax due the County from the Vendor, and report all exempt transactions on the “Lodging Tax Exemption Report”. (See Website: <https://fiscalofficer.cuyahogacounty.us/en-US/LodgingTax> )
- B. The monthly returns shall be submitted to the Fiscal Officer with payment of the amount of tax due thereon. Any and all taxes collected and not refunded to the consumer shall be remitted to the Fiscal Officer.
- C. Upon receiving the monthly returns with the proper payment, the Fiscal Officer shall promptly stamp or otherwise mark on all copies the date received and the amount of payment received.
- D. Upon application of the vendor, in writing and for good cause shown, the Fiscal Officer may extend the time for making and filing returns. Also, the Fiscal Officer may reduce or abate any and all interest and penalties that may be due hereunder.
- E. Any vendor who fails to file a complete return and exempt report, with payment, postmarked on or before the 21<sup>st</sup> day of each month (no exceptions for holidays or weekends), shall forfeit and pay into the County Treasurer interest at the rate at which interest accrues per annum as prescribed pursuant to **ORC 5703.47** and a penalty up to twenty-five percent (25%) of the amount of the tax due and such may be collected by assessment in the manner provided herein.



- F. The forms for the return shall be prescribed by the Fiscal Officer. Submission of any forms other than what is prescribed by the Fiscal Officer will result in the automatic rejection of exempted status for the transaction. The exemption report is to be completed in its entirety. If the fully completed and executed forms are not obtained from the vendor and made available for audit, the excise tax shall apply and the vendor will be held responsible for the payment of same.

### **Amended Returns**

**Amended Returns:** Whenever the amount of any tax, interest and penalty has been overpaid or paid more than once or has been erroneously or illegally collected or received by the County under this Resolution, it may be refunded after providing a claim in writing therefore, stating under penalty of perjury the specific grounds upon which the claim is founded. The claim shall be on forms furnished by the Fiscal Officer and review of such claims shall be at the sole discretion of the Fiscal Officer.

No refund shall be paid under the provisions of this section unless the claimant establishes his right thereto by written records showing entitlement thereof within four (4) years of the date of payment. This section is not a substitute for a petition for reassessment or any appeal following an assessment.

### **Assessments; Liabilities of Vendor and Consumer**

If any vendor collects the tax and fails to remit the same to the County as provided herein, said vendor shall be personally liable for any amount collected, which was not remitted. If any vendor fails to collect the tax on any transaction subject thereto, such vendor shall be personally liable for the same. The Fiscal Officer may make an assessment against the vendor in the first case, or the vendor in the second case, as the facts may require, based upon any information in the Fiscal Officer's possession.

No assessment against a vendor shall discharge the consumer's liability to the vendor for any unpaid tax, if the consumer owes the tax.

No assessment issued against either the vendor or the consumer shall be considered an election of remedies or a bar to an assessment against the other for the tax, penalty, and interest applicable to the same transaction, provided, however, that no assessment shall be issued against any person for the tax due on a particular transaction if the tax has been paid by another.





## **Maintenance and Inspection of Records; Assessments; Delinquencies**

- A. The burden of proof rests upon each vendor to show what part, if any, of the gross room revenue receipts are not taxable from the hotel room rents; and for such purpose each vendor shall maintain and keep complete and accurate records of said room revenue together with a record of the tax collected thereon, which shall include:
1. Primary records such as all guest or rent registers, rent invoices, statements or bills, rent payments and/or refunds thereon; room rate sheets or cards of daily prices for each room, as required by **ORC 3731.16**; receipts of taxes collected; copies of appropriate schedules of Federal Income Tax Returns, Ohio Sales Tax Returns, and tax returns to local municipalities having a lodging excise tax identical or substantially similar to the tax imposed hereby; exemption certificates, tax payment receipts; cash register tapes and all other pertinent documents; and
  2. Secondary records such as bank deposit receipts and daily books, journals, or any other records in which the vendor accumulates data, which must be supported by complete detail in which such data was accumulated.
- B. Guest or rent invoices, statements or bills, and cash register tapes for taxable rent must state separately the total taxable rent and the tax charged and/or collected. The records must also show clearly the length of stay, in terms of consecutive days for each guest.
- C. All room adjustments or complimentary/earned stays must have detailed supporting documentation maintained. The records must show clearly the original rent and tax, the value of the room rent and tax adjusted, length of stay, in terms of consecutive days for each guest and the reason for such adjustment.
- D. All records relating to the collection and payment of the tax must be preserved by the vendor for five (5) years, unless the Fiscal Officer consents in writing to their destruction within that period, or by order requires that they be kept for a longer period. All such records no longer need to be preserved after an assessment for additional tax has been made and paid, including all penalties and interest therein, for the period involved in such assessment. A copy of such paid assessment shall be maintained for five (5) years following the period included in such assessment.
- E. All such records and documents shall be open to the County Fiscal Officer for inspection during regular business hours. The Fiscal Officer shall from time to time, review, investigate, examine and audit any and all such records to determine if the proper tax has been returned and remitted. The Fiscal Officer also has the authority to remove such records as long as proper inventory of the documentation to be removed is provided to the vendor.



1. The Fiscal Officer may interview the vendor or his/her employees and agents, and may take written statements whether or not under oath.
  2. If the Fiscal Officer's investigation of such records reveals that any tax or additional tax should properly have been returned and remitted by the Vendor, the Fiscal Officer shall make an assessment of such tax or additional tax in the manner provided in paragraph F hereof.
- F. If any vendor fails to maintain complete primary sales records, accurately reflecting the total rents subject to the tax and of the tax due thereon, or which may be utilized in verifying the accuracy of the figures reflected in the vendor's secondary record and/or reported on the vendor's tax returns filed hereunder, the Fiscal Officer will use one of the following methods for such verification:
1. Determine the total amount of all rents, less rental refunds, when the full tax has also been refunded either in cash or by credit, as the facts may require, based upon any information in his possession.
  2. Determine taxable and non-taxable rents, or the ratio of taxable rents to total rents, or both, as the facts may require, based upon any information in his possession.

The above described determinations may be based upon a sampling or test checks of the vendor's business activity for a representative period, or other information relating to the rental of rooms made by such vendor. (Sampling and test checks will not be utilized to approve claimed exemptions.) The Fiscal Officer may make the same determination where the facts in the Fiscal Officer's possession reasonably lead the Fiscal Officer to believe that the amount of tax required to be collected is or should be greater than the amount remitted by the vendor.

- G. If any vendor:
1. Fails to maintain complete records, as required hereby; or
  2. Fails or refuses to permit the Fiscal Officer to inspect any records; or
  3. Refuses to permit the Fiscal Officer to sample or test check his business activity; or
  4. Having filed a return or returns, misrepresents or fails to disclose, any material fact or figure thereon; or
  5. Having collected the tax, fails to remit the same when due; or
  6. Fails to remit the correct amount of tax or interest thereon when due; or
  7. Fails to file a full and complete return when due:

The Fiscal Officer shall determine the proper amount of tax by any of the means set forth above; the tax as so determined will be deemed to be the tax collected by such vendor during the entire period of



time under review; and the Fiscal Officer shall make an assessment of such amount of tax based upon such determination, less the tax paid during such period, if any, **(a)** plus interest thereon at the rate which interest accrues per annum, as prescribed pursuant to **ORC 5703.47**, computed from the time the amounts of tax assessed should have been paid; **(b)** plus a penalty of up to twenty-five percent (25%) of the amount of the assessment of tax.

- H. No assessment, however, shall be made or issued against a vendor or consumer for any tax more than four (4) years after the return day for the period in which the taxable transaction giving rise to the assessment of the tax occurred, or after the return for said period was filed, whichever is later. The four-year period begins on the day when the vendor is notified of the onset of an audit.
- I. All returns, documents, and payments submitted by each vendor, all records and other documents examined, and all information or knowledge of any vendor's business obtained by the Fiscal Officer shall be treated as confidential by the Fiscal Officer and shall not be released except upon order of a court of competent jurisdiction or to a duly authorized officer or agent of the Federal government, the State of Ohio, or any municipal corporation or township in the County of Cuyahoga which levies a tax pursuant to **ORC 5739.024(B)/5739.09**.

### **Procedure Following Assessment**

- A. Each assessment shall be in writing stating clearly the reasons and basis therefor.
- B. In each case of an assessment, the Fiscal Officer shall give to the assessee written notice thereof to be served personally or by certified mail, return receipt requested, along with a copy of the written assessment.
- C. The assessment shall become final thirty (30) days after service thereof upon the assessee, unless, the assessee, within thirty (30) days of service of notice of assessment, files with the Fiscal Officer a "Petition for Reassessment" providing written objection to the assessment, together with reasons for such objection and documentation therefore. Filing of a "Petition for Reassessment" shall stay enforcement by the Fiscal Officer. The Fiscal Officer shall consider the "Petition for Reassessment" and provide a determination to the assessee as to the result of such consideration, along with a final assessment.

Thirty (30) days after notice of assessment, or upon notice of the determination of the "Petition for Reassessment" by the Fiscal Officer, whichever is later, the assessment shall become final and the amount thereof shall be deemed a debt due and payable to the County. The Fiscal Officer shall cause to be filed a judgment lien in the amount of the assessment, including penalties and interest added thereto under the provisions hereof.

- D. All monies collected upon assessments including penalties and interest thereon shall, when received by the County, be considered as revenue arising from the tax.



### **Liability of Officers and Agents**

If any person required to file returns and to remit the tax, fails for any reason to make such filing or payment, vendor's officers, partners or managing agents, or employees having control or supervision of, or charged with the responsibility of, filing returns and making payments of tax, shall be personally liable for such failure. The dissolution of such entity shall not discharge its liability for a failure to file returns or remit tax due prior to such dissolution.

No vendor shall fail to collect the full and exact tax as required by these regulations. No vendor shall remit or rebate to a transient guest, either directly or indirectly, any of the tax levied pursuant to these regulations, or make in any form of advertising, verbal or otherwise, any statements which might imply that he is absorbing the tax, or paying the tax for the transient guest by an adjustment of prices, or furnishing lodging at the price including the tax or rebating the tax in any other manner.

Any person(s) owing such a debt to the County under the provisions of this Code which debt has become delinquent shall be liable to any action brought in the name of the County of Cuyahoga, by and through the Cuyahoga County Prosecutor or other attorney authorized by law for the recovery of such amount.

### **Sale of Entire Business**

If a vendor, liable for the tax sells the business or quits the business, the taxes, interest, and penalties imposed hereby on taxable rents made prior to that time shall become due and payable immediately, and such person shall make a **Final Return**, on the form attached hereto as **Exhibit F**, within fifteen (15) days after the date of selling or quitting business. The successor to the business shall withhold a sufficient amount of the purchase money to cover the amount of such taxes, interest, and penalties due and unpaid until the former owner produces a receipt from the Fiscal Officer showing that the taxes, interest, and penalties have been paid, or a certificate (available upon request) indicating that no taxes are due. If the purchaser of the business fails to withhold purchase money, the purchaser shall be personally liable for the payment of the taxes, interest, and penalties accrued and unpaid during the operation of the business by the former owner. Irrespective if there was purchase money, the successor shall be personally liable for the tax, interest and penalties accrued and unpaid during the operation of the business by the former owner.



## **Examples**

The following examples are published to illustrate the hypothetical application of the tax in the particular situations:

- A. If a person engages or reserves and pays for hotel room(s) for thirty (30) or more consecutive days, on behalf of specified guest(s), the tax does not apply, irrespective of whether the room is actually occupied each day during that period.
- B. If, in example A, the Room(s) is vacated and a refund is made, or the guest pays for fewer than thirty (30) days, the tax will be imposed.
- C. If a person engages or reserves hotel room(s) for fewer than thirty (30) days, on behalf of specified guest(s), and, either during or at the end of the engagement or reservation period, extends the engagement, whether for the same or different room(s), to an aggregate of thirty (30) or more consecutive days of occupancy or the right to occupancy, the tax does not apply.
- D. If a person engages or reserves hotel room(s) for more than thirty (30) consecutive days on behalf of guest(s) who do not, in fact, have the unqualified right to occupy the room(s) for thirty (30) or more consecutive days, and does not pay thirty (30) or more consecutive days' rent, the tax applies.
- E. If a guest occupies a suite or two (2) or more connecting rooms, the tax applies to the suite or all of the connecting rooms, unless each connecting room or separate room comprising the suite is assigned a separate, regular rate for lodging, and is rented for separate lodging, in which case the tax applies only to the rent for the rooms occupied separately for lodging, and not to those occupied for other purposes. For example, if a consumer rents two (2) connecting rooms and one has sleeping accommodations in one while the consumer conducts business exclusively in the other, the tax will be applied only on the room with sleeping accommodations.
- F. If lodging is provided without any compensation (for example: trade-in-service or barter), and with no compensating charge (rate \$0.00), the tax does not apply to such complimentary lodging.
- G. If lodging is provided with compensation (for example: trade-in-service or barter), a minimal rent (base cost) must be charged that covers the cost of labor, service, property used, interest discount paid after the price is paid or agreed to be paid, or any other expense.
- H. If lodgings are rented one (1) or more times in any twenty-four hour period to different guest(s) or consumer(s), the tax applies to each rental.
- I. Vouchers contained in voucher books, thrift books, and coupon books, which entitle the purchaser of the books to trade at different retail establishments shall be treated as money when applied to pay for lodging and the tax shall attach to all rents paid by the use of such vouchers, using as a tax basis the money value of the coupon or voucher.



## **Intent**

It is the intent of these rules and regulations to provide for the administration of imposing, collecting and distributing the levy of an excise tax of six and one-half percent (6 ½%) on transactions by which lodging by a hotel is or is to be furnished to transient guests as referred to and authorized by **ORC 5739.024/5739.09**. Accordingly, these rules and regulations shall be construed to effectuate that purpose so as to be consistent with any requirement of law, compliance which is a prerequisite to the validity of the tax intended to be levied hereby.

## **Severability**

If any sentence, clause, section or part of these rules and regulations, or any tax imposed as specified herein, is found to be unconstitutional, illegal or invalid, such unconstitutional, illegality or invalidity shall affect only such clause, sentence, section or part and shall not affect or impair any of the remaining provisions, sentences, clauses, sections or other parts of these rules and regulations. It is hereby declared to be the intention of the Cuyahoga County that these rules and regulations would have been adopted had such unconstitutional, illegal or invalid sentence, clause, section or part thereof not been included herein.

## **Capability of Vendor's Equipment; Vendor's Responsibility for Full Amount of Tax Levied**

Notwithstanding any provision contained in this Code of Regulations, or the Resolution adopting the same, to the contrary, each vendor is permitted to collect the tax from transient guests at the rate of five and one-half percent (5 ½ %) prior to January 1, 2020 and six and one-half percent (6 ½ %) thereafter of taxable rents; provided however, that the Cuyahoga County Lodging Excise Tax shall be stated on each rent invoice, bill statement, or other written charge therefor, separately and apart from the Ohio sales tax and any similar tax imposed by a local sub-division; and provided further, that each vendor shall report monthly the total taxable rents collected during each month and pay the tax equal to five and one-half percent (5 ½%) prior to January 1, 2020 and six and one-half percent (6 ½%) thereafter of such total taxable rents.



### **Settlement of Tax Fund**

- A. All receipts collected from the excise tax levied hereby shall be deposited in the Undivided Hotel Lodging Tax Fund.
- B. 1 ½% of the collected from the 6.5% excise tax shall be appropriated to the Capital Fund. Cuyahoga County shall use these for the purpose of contributing revenues for the acquisition, construction, equipping and financing of an educational and cultural facility.”
- C. 1% of the 6.5% collected shall be appropriated to the Medical Mart.
- D. 1% of the 6.5% collected shall be appropriated to the Rock Hall Project; and Cuyahoga County Project.
- E. 3% of the 6.5% collected shall be used for the following:
  - a. Cuyahoga County Fiscal Office administration costs of the collection of the tax.
  - b. The municipals that do not have an ordinance to collect the tax shall receive, not to exceed thirty-three and one-third percent. The remaining portion will be distributed to the Convention Bureau/Destination Cleveland.
- F. A claim for refund for taxes illegally or erroneously collected or paid, certified by the County Fiscal Officer and for which a warrant is drawn on the County Treasurer, shall be paid from the Undivided Hotel Lodging Tax Fund.

### **Responsibilities of Convention Bureau/Destination Cleveland and County**

The Capital Improvement Bed Tax(1 ½%) proceeds shall be distributed to Positively Cleveland to be used for the direct and indirect costs of capital improvements, including the financing of capital improvements. Positively Cleveland shall annually update the County Executive, County Council, the Cuyahoga County Fiscal Officer regarding the use of the Capital Improvement Bed Tax funds.

*(Ordinance No. [O2014-0020](#), Enacted 8/12/2014, Effective 8/15/2014)*

The Convention and Visitors Bureau of Greater Cleveland, Inc./Destination Cleveland and Spirit of Cleveland, Inc. shall present annual financial and performance reports as well as an annual operations report showing its use of the funds (3% portion) hereby appropriated, to the County Executive, County Council, and the County Fiscal Officer. The County Council and management of Cuyahoga County and the Board of Directors and management of the Convention and Visitors Bureau of Greater Cleveland, Inc. DBA Destination Cleveland and Spirit of Cleveland, Inc. have agreed to and acknowledged that the procedures performed by the Auditor of State (AUP) are appropriate to meet the intended purpose of providing assistance in the evaluation of the Destination Cleveland’s certain transactions collected, remitted, and/or disbursed under Ohio Rev. Code §5739.09(Q).

*(Ordinance No. O2020-0017, Enacted 10/27/2020, Effective 10/27/2020)*



### Recognition of Local Governments Who Have Additional 3% Bed Tax

The County recognizes that the Cities of Cleveland, Beachwood, Bedford Heights, Brecksville, Broadview Heights, Brooklyn, Brook Park, Euclid, Fairview Park, Independence, Lyndhurst, Maple Heights, Mayfield Heights, Middleburg Heights, North Olmsted, Rocky River, Solon, Strongsville, Warrensville Heights, and Westlake; and the Villages of Mayfield, Oakwood, and Orange are presently levying a lodging excise tax.





**EXHIBIT "A"**

**CUYAHOGA COUNTY FISCAL OFFICE**  
**Lodging Occupancy Tax**

**"List of Exemption Requirements"**

The undersigned hereby claims exemption from Cuyahoga County Excise Tax on Lodging of Transient Guest upon Rent for lodging and certifies that this claim is based upon one of the following reasons:

**The "Rent is paid directly by":**

**(Check One)**

- 1. Federal Government\* - Need copy of ID and type of payment \_\_\_\_\_
  - a. State of \_\_\_\_\_ (Ohio Excluded) \_\_\_\_\_  
(Name of State)
  - b. Political Subdivision\* \_\_\_\_\_ \_\_\_\_\_  
(Name of State and Subdivision)
  
- 2. Foreign Missions \_\_\_\_\_ - Need Front & Back Copy of ID \_\_\_\_\_  
(Name of Mission) - Need Copy of type of payment
  
- 3. Non-Transient Status: \_\_\_\_\_
  - a. The rent is not subject to tax as a consequence of the Guest(s)  
Non-Transient Status: A copy of the folio representing 30 or more  
Consecutive days must be attached to this form.  
Date of Arrival: \_\_\_\_\_ Date of Departure: \_\_\_\_\_
  
  - b. The rent is not subject to tax as a consequence of the Guest(s)  
Contracted-Room Status: A copy of the contract must be attached to this form.  
Date of Arrival: \_\_\_\_\_ Date of Departure: \_\_\_\_\_

The vendor must attach this certificate to a copy of the bill, statement or invoice and copies of any Checks, credit card information, or other form of payment that would support tax-exempt status for this transaction.

_____ Name	_____ Employee Name (Print)
_____ Address	_____ Title
_____ City, State, and Zip	_____ Sign and Date
_____ Phone	

**\*CAUTION: If payment is not a direct bill, be sure that the credit card is one that permits the transactions to be Tax Exempt; and, not the guests' personal credit card.**

Prescribed by the Cuyahoga County Hotel/Motel Bed Tax Auditors  
Revised January 2015

Effective Date: 1/1/2019