

**ORDINANCE NO. 2020-\_\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS TEMPORARILY WAIVING THE 15 PERCENT LATE CHARGE AND THE 1 PERCENT PER MONTH INTEREST CHARGE FOR DELINQUENT PAYMENT OF HOTEL OCCUPANCY TAXES UNDER SECTION 78.103 OF THE SAN MARCOS CITY CODE DUE TO THE COVID-19 PANDEMIC; PROVIDING FOR ADOPTION OF THIS ORDINANCE AS AN EMERGENCY MEASURE ON ONLY ONE READING; AND PROVIDING AN EFFECTIVE DATE.**

**RECITALS:**

1. Due to the current COVID-19 pandemic, travel restrictions, and cancellation of conferences and room reservations, hotels within San Marcos are experiencing decreased revenue and difficulty in meeting their financial obligations.

2. Under Section 78.103, Subsection (b) of the San Marcos City Code, the operators of hotels are required to file monthly reports and to remit hotel occupancy taxes in full to the city's finance department. The reports and payments are due by the 20<sup>th</sup> of each month following the previous month of collection from hotel guests.

3. Section 78.103, Subsection (e) assesses a late charge of 15 percent of the total amount of hotel taxes that are not received by the due date.

4. Section 78.103, Subsection (f) assesses an interest charge of one percent per month of the total amount due, including late charges and accrued interest, that is not received within 60 days of the due date.

5. In order to relieve the financial burden on hotels in San Marcos, the San Marcos City Council deems it necessary to waive the 15 percent late charge and 1 percent interest charge for a period of 90 days during the COVID-19 pandemic.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:**

**SECTION 1.** Late charges and interest charges that would otherwise accrue and be assessed under Section 78.103 of the San Marcos City Code, due to the failure to timely remit payment of city hotel occupancy taxes, are hereby waived and shall not be applied to monthly payments that become due on April 20, 2020, May 20, 2020, and June 20, 2020.

**SECTION 2.** The temporary waivers provided in Section 1 of this ordinance may be extended by subsequent ordinance of the City Council during the continuation of the current declaration of a local state of disaster within San Marcos, Texas due to the COVID-19 pandemic.

**SECTION 3.** Nothing in this ordinance shall be construed as a waiver of the obligation of any person operating a hotel in San Marcos to collect, report, and remit hotel occupancy taxes.

**SECTION 4.** The importance of this ordinance creates an emergency and an imperative public necessity, and the provisions of the San Marcos City Charter requiring that ordinances be presented at two separate meetings are hereby waived and, this ordinance will take effect immediately upon adoption.

**PASSED AND APPROVED ON ONE READING** on April 7, 2020.

Jane Hughson  
Mayor

Attest:

Approved:

Tammy K. Cook  
Interim City Clerk

Michael J. Cosentino  
City Attorney