

GENERAL QUESTIONS: 1% LOCAL HOSPITALITY FEE AND 2% LOCAL ACCOMMODATIONS FEE

1. What are Accommodations fee and the Hospitality Fee?

Each fee is to be imposed on accommodations and on the purchase of prepared or modified food and/or Beverages intended for immediate consumption.

2. Why was it necessary to implement the Hospitality Fee and the Accommodations Fee?

To fund necessary buildings and improvements related to tourism, such as beautification projects, advertising and promotional efforts, tourism-related facilities and tourism-related water and sewer infrastructure.

3. Who is responsible for collecting and remitting the Hospitality Fee and the Accommodations Fee?

The provider or seller of the service, services or items is responsible for the collection of this fee from patrons is liable to remit collections to the City of Union.

4. How will the fee be remitted to the City of Union?

For most businesses, the estimated amount of fees collected from patrons will be more than \$50 per month and the remittance must be made by the twentieth day of the following month. If the estimated amount of fees collected from patrons is \$25 - \$50 per month, the payment is due quarterly by the twentieth day of January, April, July and October for the previous quarterly sales. If the estimated amount of fees collected from patrons is less than \$25 per month, the payment is due annually by the twentieth day of January for the previous calendar year's sales. The remittance must be accompanied by the City's local Hospitality and Accommodations Fee monthly reporting form. The reporting form must be submitted on a monthly basis, even if the amount due is zero.

5. What if my payment is late?

A penalty of 5% of the unpaid amount for each calendar month or portion thereof shall apply.

RESTAURANTS AND BARS

6. What sales are affected by the Hospitality Fee for restaurants, bars and other food service establishments?

All food, beverage and alcohol sales.

CONVENIENCE STORES, GROCERY STORES AND SIMILAR STORES

7. What sales are affected by the Hospitality Fee for convenience, grocery and similar stores?

All food and/or beverage items that are prepared or modified by convenience stores, grocery stores and similar Stores and intended for immediate consumption.

8. What are some examples of prepared and/or modified food and beverages affected by the fee?

- A. Heated foods (pizza, nachos, hot dogs, sandwiches, chicken, vegetables, etc.)
- B. Prepared sandwiches, salads, doughnuts and cakes
- C. Fountain drinks, frozen drinks, coffee and cappuccino

9. What are some examples of prepared and/or modified food and beverages NOT affected by the fee?

- A. Packaged foods
- B. Bulk or packaged cold deli products
- C. Canned or bottled beverages

ACCESSORY USE FOOD SERVICE FACILITIES

10. What sales are affected by the Hospitality Fee for food service which is an a accessory to the primary business (arcades, amusements, theaters, etc.)?

Prepared or modified food and beverage items such as fountain drinks, popcorn, nachos, etc.

ACCOMMODATIONS

What sales are affected by the Accommodations Fee?

11. The rental charges for rooms, campground spaces, lodging, or sleeping accommodations furnished to transients for less than 90 consecutive days and those guest charges that are affected by state accommodations tax. (The fee does not apply to any facilities consisting of less than 6 sleeping rooms, contained on the same premises which is used as an individual's place of abode.)