

October 3, 2006

City Council Meeting
October 10, 2006

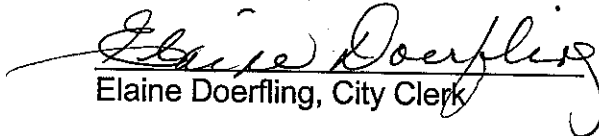
Mayor and Members
of the City Council

ORDINANCE NO. 06-1274 - "AN ORDINANCE OF THE CITY OF HERMOSA BEACH, CALIFORNIA, AMENDING PROCEDURAL PROVISIONS OF THE TRANSIENT OCCUPANCY TAX ORDINANCE AND AMENDING CHAPTER 3.32 OF THE HERMOSA BEACH MUNICIPAL CODE."

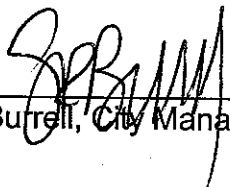
Submitted for **waiver of full reading and adoption** is Ordinance No. 06-1274, relating to the above subject.

At the meeting of September 26, 2006, the ordinance was presented to the City Council for consideration and was introduced by the following vote:

AYES:	Bobko, Keegan, Reviczky, Tucker, Mayor Edgerton
NOES:	None
ABSENT:	None
ABSTAIN:	None


Elaine Doerfling, City Clerk

Noted:


Stephen R. Burrell, City Manager

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ORDINANCE NO. 06-1274

**AN ORDINANCE OF THE CITY OF HERMOSA BEACH, CALIFORNIA,
AMENDING PROCEDURAL PROVISIONS OF THE TRANSIENT
OCCUPANCY TAX ORDINANCE AND AMENDING CHAPTER 3.32 OF THE
HERMOSA BEACH MUNICIPAL CODE**

**THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH DOES
HEREBY ORDAIN AS FOLLOWS:**

SECTION 1. Section 3.32.110 of Chapter 3.32, Title 3 of the Hermosa Beach Municipal Code is amended to read:

“It shall be the duty of every operator liable for the collection and payment to the city of any tax imposed by this chapter to keep and preserve, for a period of four years, all records as may be necessary to determine the amount of such tax as the operator may have been liable for the collection and payment of to the city, which records the Tax Administrator shall have the right to inspect at all reasonable times.”

SECTION 2. Section 3.32.125 is added to Chapter 3.32, Title 3 of the Hermosa Beach Municipal Code to read:

3.32.125 Change of Ownership--Tax Clearance Certificate

A. Pursuant to Revenue and Taxation Code Section 7283.5, and as that section may from time to time be amended, a purchaser, transferee, or other person attempting to obtain ownership of a transient occupancy facility, may request in writing from the Tax Administrator the issuance of a tax clearance certificate stating the amount of tax and any accrued penalties and interest due and owing, if any.

B. The Tax Administrator shall, within ninety days of the receipt of the written request for a tax clearance certificate issue the tax clearance certificate, or may conduct an audit of the subject transient occupancy facility. Any such audit must be completed within ninety days after the date the records of the

1 subject transient occupancy facility have been made available to the Tax
2 Administrator and a tax clearance certificate issued within thirty days of the
3 completion of the audit.

- 4 C. If following an audit the Tax Administrator determines that the current
5 operator's records are insufficient to assess the amount of tax due and
6 owing, the Tax Administrator shall, within thirty days of making that
7 determination, notify the prospective purchaser, transferee or other person
8 that a tax clearance certificate will not be issued.
- 9 D. If the Tax Administrator does not comply with the request for a tax
10 clearance certificate, the purchaser, transferee or other person that obtains
11 ownership of the transient occupancy facility shall not be liable for any
12 transient occupancy tax obligation incurred prior to the date of the purchase
13 or transfer of the property.
- 14 E. The tax clearance certificate shall state the following:
- 15 1. The amount of tax, interest and penalties then due and owing;
 - 16 2. The period of time for which the tax clearance certificate is valid; and
 - 17 3. That the purchaser, transferee, or other person may rely upon the tax
18 clearance certificate as conclusive evidence of the tax liability
19 associated with the property as of the date specified on the
20 certificate.
- 21 F. Any purchaser, transferee, or other person who does not obtain a tax
22 clearance certificate under this section, or who obtains a tax clearance
23 certificate that indicates that tax is due and owing and fails to withhold,
24 for the benefit of the county, sufficient funds in the escrow account for
25 the purchase of the property to satisfy the transient tax liability, shall be
26 held liable for the amount of tax due and owing.
- 27 G. The fee for issuance of a tax clearance certificate shall be established by
28 resolution of the City Council.

1 **SECTION 3.** The City Clerk shall certify to the passage and adoption of this ordinance,
2 shall enter the same in the book of original ordinances of said city, and shall make minutes of the
3 passage and adoption thereof in the records of the proceedings of the City Council at which the
4 same is passed and adopted.

5
6 **PASSED, APPROVED and ADOPTED** this 10th day of October 2006 by the
7 following vote:

8 AYES:
9 NOES:
10 ABSENT:
11 ABSTAIN:

12 _____
13 **PRESIDENT** of the City Council and **MAYOR** of the City of Hermosa Beach, California

14 ATTEST:

15 APPROVED AS TO FORM:

16 _____
17 City Clerk

18 _____
19 City Attorney