

**SYNOPSIS OF AMENDING THE CODE OF SOUTH BETHANY, CHAPTER 118,
TAXATION, ARTICLE III, ENTITLED "TAX ON GROSS RENTAL RECEIPTS",
TO CHANGE RENTAL TAX DUE DATE, INCREASE PENALTIES, AND ADD
VOLUNTARY ASSESSMENT PENALTY OPTION AND LIMITATIONS
ORDINANCE 157-11 (THIRD READING)
(Sponsored by Mayor Headman)**

This ordinance amends Chapter 118, Article III to:

- Change rental tax due date to October 31 of each year.
- Increase penalties for not paying rental tax when due.
- Add voluntary assessment penalty option and limitations.



ORDINANCE NO. 157-11

AN ORDINANCE TO AMEND the Code of the Town of South Bethany, Chapter 118, **Taxation**, Article III, entitled "Tax on Gross Rental Receipts", to change rental tax due date, increase penalties, and add voluntary assessment penalty option and limitations.

BE IT HEREBY ENACTED by the Council of the Town of South Bethany, Sussex County, a majority thereof concurring in Council duly met, that Chapter 118 ("Taxation") be amended as follows (additions are **highlighted** and deletions **marked through**):

ARTICLE III Tax on Gross Rental Receipts

§ 118-11. Authority.

This article is authorized by § C-4B of the Town Charter.

§ 118-12. Definitions.

For the purposes of this article, the following terms should have the following definitions:

COMMERCIAL PROPERTY -- A building or structure other than a residential properties.

CURRENT RATE -- The rate, expressed as a percentage, by which the gross rental receipts are multiplied to determine the tax due.

RESIDENTIAL PROPERTY -- A dwelling designed to serve as a single-family dwelling and constructed to provide complete housekeeping facilities for one or more individuals.

§ 118-13. (Reserved)

§ 118-14. Rental tax.

- A. There is hereby imposed a rental tax not to exceed 8% of the gross rental receipts of each residential and commercial property. The Council shall establish the current rate each

year concurrent with the adoption of the annual operating budget and shall become effective the following October 1.

- B. The rental tax shall be due and payable to the Town no later than ~~September 30~~ **October 31** of each year and shall cover the prior period of October 1 to September 30. ~~Uncollected taxes for the month of September may be estimated with adjustment made the following tax year.~~
- ~~C. For the year ending 2003 only, rental tax will be collected from January 1 to September 30.~~
- DC.** The payment of the rental tax shall be the responsibility of the **property** owner; ~~of the residential and commercial property~~; provided, however, that any such owner may designate an agent to collect and pay the tax to the Town.

§ 118-15. Rental tax form.

Every year the Town will send a copy of the rental tax form to all currently licensed landlords or their designated agents. This form is to be filled out for each rental property owned and shall be returned to the Town office, along with a check for the current tax due. The tax due shall be calculated by multiplying the current rate by the gross receipts.

§ 118-16. Penalties for offenses.

- A. Any ~~person~~ **property owner** violating the provisions of this article shall be subject to **the same penalties as listed in § 84-14A. a penalty of not less than \$100, nor more than \$200, plus court costs. Each day of continued violation shall be considered as a separate offense.**
- B. Any property owner charged with violating this article may cure the violation within 15 days as provided in § 84-14C, D and E.**
- BC.** A property owner who fails to pay the rental tax due and **owing owed** to the Town of South Bethany by **October 31** ~~December 31~~ of each year shall, in addition to the current rental tax due, pay interest thereon at the rate of 1½% percent per month **on the unpaid balance** until fully paid.

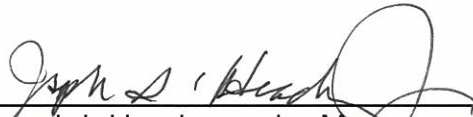
CD. Any property owner who fails to comply with this article shall be subject to loss of rental license: one year for the first offense and two years for each subsequent offense. ***Provided, however, that no rental license shall be revoked without providing a property owner with notice and an opportunity for a hearing in accordance with § 84-10.1.***

~~D. Any person owning a residential property, as defined in § 118-12 hereof, and who violates the terms of such definition shall be subject to the immediate suspension of the rental license if ordered by the Town Council, such action to remain in effect until a hearing and decision by the Town Council on the possible restoration of the rental license.~~

Effective date: This ordinance shall become effective upon the date of adoption.

ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF SOUTH BETHANY, SUSSEX COUNTY, DELAWARE, ON THE 5TH OF AUGUST 2011.

SEAL:



 Joseph I. Headman, Jr., Mayor



 George Junkin, Council Secretary

ATTEST: 

1st Reading: 5/13/11
 2nd Reading: 6/10/11
 3rd Reading: 8/5/11

Sponsored by Mayor Headman
 JIH:phs:Third Reading Ordinance 157-11

CERTIFICATION FOR REGULAR ORDINANCES

This is to certify that the notice and brief description of the foregoing ordinance was published in the COASTAL POINT Newspaper on 5/6/11 and posted on the Town's website on 5/6/11, prior to the first reading.

This is to certify that the notice and brief description of the foregoing ordinance was published in the COASTAL POINT Newspaper on _____ and posted on the Town's website on _____, after its adoption.