



OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

REVISED AGENDA

Meeting of the: **ROOM TAX COMMISSION**
Date/Time: **Wednesday, November 30, 2016 @ 4:30 PM**
Location: City Hall (407 Grant Street) Board Room, 2nd Floor
Members: Romey Wagner, Lisa Rasmussen, Tom Neal, Tim VanDeYacht, Tom Weaver

AGENDA ITEMS FOR CONSIDERATION

- 1 Call meeting to order
- 2 Elect Chair, Vice Chair and Secretary
- 3 Discussion and Possible Action on approval of contract with existing tourism entity for tourism promotion
- 4 **CLOSED SESSION** pursuant to s. 19.85(1)(e), Wis. Stats., deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, relating to negotiating a contract with an existing tourism entity for tourism promotion
- 5 **RECONVENE INTO OPEN SESSION** to take action, if necessary, on closed session item #4.
- 6 Discussion and possible action regarding establishing a room tax grant process

Adjourn

Toni Rayala, Clerk

IMPORTANT: THREE (3) MEMBERS NEEDED FOR A QUORUM: If you are unable to attend the meeting please notify Mary Goede by calling 715-261-6621 or via email mary.goede@ci.wausau.wi.us

This Notice was posted at City Hall and faxed to the Daily Herald newsroom on 11/28/16 @ 12:30 pm.

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For information or to request this service, contact the City Clerk at (715) 261-6620.

Other Distribution: Media, Mayor Mielke, Alderpersons, Schock, Lenz



Office of the City Attorney

TEL: (715) 261-6590
FAX: (715) 261-6808

Anne L. Jacobson
City Attorney

Tara G. Alfonso
Assistant City Attorney

MEMORANDUM

TO: Common Council Members
FROM: Anne Jacobson, City Attorney 
DATE: August 16, 2016
RE: Creation of Room Tax Commission

Wis. Stats. 66.0615(1m)(c) addresses the composition of the Commission. The statute requires that:

- **The commission shall consist of four to six members.**
- **One of the commission members shall represent the Wisconsin hotel and motel industry.**
- **Members of the commission shall be appointed by the principal elected official in the municipality and shall be confirmed by a majority vote of the members of the municipality's governing body who are present when the vote is taken.**
- **Commissioners shall serve for a one-year term, at the pleasure of the appointing official, and may be reappointed.**

What has been proposed in the draft creation of WMC 2.60.270 and 3.25.035, but which may be amended on the Council floor, are the following provisions:

- The Room Tax Commission shall consist of five (5) members.
- Members shall serve without compensation.
- All members shall be adult residents of the city.
- At least two members shall be alderpersons.
- Strong consideration shall be given to an owner/operator of a hotel in the city.
- An alderperson may serve as chair of this commission.
- No person may serve as Chair more than three (3) years in any five (5)-year period.

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ORDINANCE OF FINANCE COMMITTEE

Creating Sections 2.60.270 and 3.25.035 Room Tax Commission and amending Section 2.60.010
Boards and commissions enumerated

Committee Action: Approved 5-0

Ordinance Number: 61-5713

Fiscal Impact: None

File Number: 16-0810

Date Introduced: August 23, 2016

WHEREAS, Wisconsin Statutes §66.0615 authorizes the City of Wausau to enact an ordinance imposing a tax on the privilege of furnishing, at retail, except sales for resale, rooms or lodging to transients by hotelkeepers, motel operators and other persons furnishing accommodations that are available to the public (the "Room Tax"); and

WHEREAS, the Finance Committee previously adopted Chapter 3.25 which imposes the current Room Tax within the city; and

WHEREAS, recent amendments to Wisconsin Statutes §66.0615 require that the City spend at least 70% of the Room Tax collected on tourism promotion and tourism development; and

WHEREAS, Wisconsin Statutes §66.0615 authorizes the City of Wausau to create a room tax commission, and requires that any amount of Room Tax collected that must be spent on tourism promotion and tourism development shall either be forwarded to the room tax commission if the City has created one, or forwarded to a qualifying tourism entity; and

WHEREAS, it is deemed to be in the best interest of the City of Wausau that a room tax commission be created, and that the municipal code of the City of Wausau be further modified and amended in the manner hereinafter more particularly set forth.

NOW, THEREFORE, the Common Council of the City of Wausau do ordain as follows:

Add ()

Section 1. Section 2.60.270 Room Tax Commission is hereby created to read as follows:

2.60.270 Room Tax Commission. The Room Tax Commission shall consist of five (5) members appointed by the mayor and confirmed by a majority vote of the members of the Common Council who are present when the vote is taken. Members shall serve without compensation. All members shall be adult residents of the city. At least two members shall be alderpersons. One member shall represent the hotel and motel industry. Strong consideration shall be given to an owner/operator of a hotel in the city. An alderperson may serve as chair of this commission.

Section 2. Section 3.25.035 Room Tax Commission is hereby created to read as follows:

3.25.035 Room Tax Commission. (a) Creation. There is hereby created a Room Tax Commission for the City of Wausau.

(b) Composition. The Room Tax Commission shall consist of five (5) members appointed by the mayor and confirmed by a majority vote of the members of the Common Council who are present when the vote is taken. Members shall serve without compensation. All members shall be adult residents of the city. At least two members shall be alderpersons. One member shall represent the hotel and motel industry. Strong consideration shall be given to an owner/operator of a hotel in the city. An alderperson may serve as chair of this commission.

(c) Terms. Pursuant to Section 66.0615(1m)(c)3, the members shall be appointed for a one-year term and shall serve at the pleasure of the mayor and may be reappointed.

(d) Powers and duties. The Room Tax Commission shall have the powers and duties prescribed by Section 66.0615 of the Wisconsin Statutes. Any contract entered into by the Commission shall be approved by the Common Council. The Commission shall elect from among its members a chairperson, vice chairperson and secretary. No person may serve as Chair more than three (3) years in any five (5)-year period.

Section 3. Section 2.60.010 Boards and commissions enumerated-Appointment is hereby amended to read as follows:

2.60.010 Boards and commissions enumerated-Appointment. Citizen members of the following boards and commissions shall be appointed by the mayor; such appointments shall be confirmed by the common council:

- (a) Board of review;
- (b) Library board;
-
- (q) Room tax commission

Section 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5. This ordinance shall be in full force and effect on the day after its publication.

Adopted: 8/23/16
Approved: 8/31/16
Published: 9/06/16
Attest: 8/31/16

Approved:



Robert B. Mielke, Mayor

Attest:



Toni Rayala, Clerk



Office of the City Attorney

TEL: (715) 261-6590

FAX: (715) 261-6808

Anne L. Jacobson
City Attorney

Tara G. Alfonso
Assistant City Attorney

TO: Mayor Mielke
Members of the Common Council

FROM: Anne Jacobson, City Attorney

RE: Room Tax Commission

DATE: October 19, 2016

On August 23, 2016, the Common Council approved amendments to Chapters 2 and 3 of the Wausau Municipal Code, which created the Room Tax Commission, a tourism commission, pursuant to the room tax law. Under the room tax law, municipalities have always had the option of creating a tourism commission to oversee the spending of room taxes collected by the municipality.

Beginning January 1, 2017, 2015 Act 55, which became effective July 14, 2016, requires municipalities to forward the 70 percent of room tax revenue required to be spent on tourism promotion and *tourism* development to a tourism entity or a tourism commission and file a report with the Wisconsin Department of Revenue by May 1, 2017.

Following the mayoral appointments to the Room Tax Commission, confirmed by the Council, a meeting of the Commission will be noticed for them to elect a chairperson, vice chairperson and secretary. A decision will need to be made to contract with at least, an existing tourism entity, and a contract approved by the Common Council.

While the law requires the commission to contract with a tourism entity to *market* the community to tourists and other travelers, it does not require the commission to contract *exclusively* with a tourism entity existing within the community, but may contract with other organizations as well to provide tourist marketing services.

This commission has some discretion on how to spend the room tax revenue it receives from the city.

While a tourism commission must contract with a tourism entity or other organization to market the community to tourists, it need not forward all or any of the room tax revenue it receives from the municipality to them. The commission has the option of using some or all of the revenue it receives on "tangible municipal development" to be used by tourists and reasonably likely to generate paid overnight stays in local lodging establishments. Section 66.0615(1)(fm), Wis.Stats., defines "tourism promotion and tourism development."

To give effect to the creation of the commission and its power and requirement to contract with a tourism entity and spend room tax revenue, various agreements between the City of Wausau and the Wausau/Central Wisconsin Convention and Visitors Bureau, Inc., were reviewed:

- Convention and Visitors Agreement Between the Municipality of the City of Wausau and the Wausau/Central Wisconsin Convention and Visitors Bureau, Inc.
*adopted January 11, 2000, for an initial term commencing January 1, 2000, and ending on December 31, 2000, automatically renewed from year to year, unless terminated pursuant to paragraph 13., which requires ninety (90) days written notice to the CVB at any time;
*paragraph 16 states, "Notwithstanding the provisions contained in this agreement, this agreement and all of its provisions shall be null and void and automatically terminated if any provisions of state law are created or amended so as to be in derogation of this agreement."
- An Amendment to the foregoing agreement, entered into on September 27, 2011, amended paragraphs 6 and 7, regarding reporting procedures and financing. The financial activity related to the Sports Authority efforts were to be accounted and reported for in segregated accounts. Additionally, for a period of three years, an additional .5% of the room tax levy was paid by the city to the CVB to host major sports tournaments.
- Agreement Between the City of Wausau and the Wausau/Central Wisconsin Convention and Visitors Bureau, Inc. (Meetings Mean Business)
*entered into May 26, 2015, for an initial term from July 1, 2015, through June 30, 2016, automatically renewed for consecutive one year terms, unless terminated upon written notice no later than 90 days in advance of the expiration of the original term or any renewal term.

Confirming a conversation with Mr. Richard Barrett, Executive Director of the CVB, notices will be sent to the CVB, terminating both contracts, to allow for the Commission to meet and move forward before year's end to contract with the CVB.

ALJ

Office of the Mayor
Robert B. Mielke



TEL: (715) 261-6800
FAX: (715) 261-6808

October 21, 2016

Mr. Richard Barrett, Executive Director
Central Wisconsin Convention and Visitors Bureau, Inc.
Via email rbarrett@visitwausau.com

RE: Notice of Termination of Contracts

Dear Mr. Barrett:

On behalf of the City of Wausau, I want to acknowledge our partnership and cooperative working relationship with the Convention and Visitors Bureau.

As you know, with the recent changes in the room tax law and amendments to local ordinances, the City, on August 23, 2016, created a Room Tax Commission. I have submitted for Council consideration on October 25, 2016, the appointments of five (5) individuals to this commission.

Because the law requires the commission to contract with an existing tourism entity to provide tourism marketing services prior to January 1, 2017, the City reviewed its current contracts with the CVB. These changes necessitate the termination of both the Convention & Visitors Agreement Between The Municipality Of The City Of Wausau And The Wausau/Central Wisconsin Convention And Visitors Bureau, Inc., adopted January 11, 2000, and its amendment, and the Agreement Between The City Of Wausau And The Wausau/Central Wisconsin Convention And Visitors Bureau, Inc. (Meetings Mean Business), adopted May 26, 2015.

While both require a 90 day written notice to the CVB of cancellation, the first contract mentioned above contains a provision rendering the contract null and void and automatically terminated if any provisions of state law are amended or created so as to be in derogation of the agreement.

While the City takes the position that the first agreement is automatically terminated, we invite your assent to the mutual cancellation of these contracts to allow the commission to negotiate a contract with the CVB.

We thank you for your cooperation in this regard,

Sincerely yours,

A handwritten signature in black ink that reads "Robert B. Mielke".

Robert B. Mielke, Mayor

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

CONFIRMATION OF MAYOR'S APPOINTMENTS

to Boards, Commissions and Committees: *Room Tax Commission*

File Number: 16-1003

Date Introduced: October 25, 2016

Room Tax Commission

Tim VanDeYacht	310 Gerald's Ct	1 Yr Term Exp. 10/25/17	920-268-8118
Tom Weaver	321 Ross Ave	1 Yr Term Exp. 10/25/17	715-843-9094
Romey Wagner	3500 Golf View Dr	1 Yr Term Exp. 10/25/17	715-848-5506
Lisa Rasmussen	1310 Crescent Dr	1 Yr Term Exp. 10/25/17	715-675-4872
Tom Neal	916 Hamilton St	1 Yr Term Exp. 10/25/17	715-845-9291

Approved:



Robert B. Mielke, Mayor

66.0615 Room tax; forfeitures.

(1) In this section:

(a) "Commission" means an entity created by one municipality or by 2 or more municipalities in a zone, to coordinate tourism promotion and tourism development for the zone.

(am) "District" has the meaning given in s. 229.41 (4m).

(b) "Hotel" has the meaning given in s. 77.52 (2) (a) 1.

(c) "Motel" has the meaning given in s. 77.52 (2) (a) 1.

(d) "Municipality" means any city, village or town.

(dm) "Sponsoring municipality" means a city, village or town that creates a district either separately or in combination with another city, village, town or county.

(e) "Tourism" means travel for recreational, business or educational purposes.

(f) "Tourism entity" means a nonprofit organization that came into existence before January 1, 2015, spends at least 51 percent of its revenues on tourism promotion and tourism development, and provides destination marketing staff and services for the tourism industry in a municipality, except that if no such organization exists, a municipality may contract with one of the following entities:

1. A nonprofit organization that spends at least 51 percent of its revenues on tourism promotion and tourism development, and provides destination marketing staff and services for the tourism industry in a municipality.

2. A nonprofit organization that was incorporated before January 1, 2015, spends 100 percent of the room tax revenue it receives from a municipality on tourism promotion and tourism development, and provides destination marketing staff and services for the tourism industry in a municipality.

(fm) "Tourism promotion and tourism development" means any of the following that are significantly used by transient tourists and reasonably likely to generate paid overnight stays at more than one establishment on which a tax under sub. (1m) (a) may be imposed, that are owned by different persons and located within a municipality in which a tax under this section is in effect; or, if the municipality has only one such establishment, reasonably likely to generate paid overnight stays in that establishment:

1. Marketing projects, including advertising media buys, creation and distribution of printed or electronic promotional tourist materials, or efforts to recruit conventions, sporting events, or motorcoach groups.

2. Transient tourist informational services.

3. Tangible municipal development, including a convention center.

(g) "Transient" has the meaning given in s. 77.52 (2) (a) 1.

(h) "Zone" means an area made up of 2 or more municipalities that, those municipalities agree, is a single destination as perceived by the traveling public.

(1m)

(a) The governing body of a municipality may enact an ordinance, and a district, under par. (e), may adopt a resolution, imposing a tax on the privilege of furnishing, at retail, except sales for resale, rooms or lodging to transients by hotelkeepers, motel operators and other persons furnishing accommodations that are available to the public, irrespective of whether membership is required for use of the

accommodations. A tax imposed under this paragraph may be collected from the consumer or user, but may not be imposed on sales to the federal government and persons listed under s. 77.54 (9a). A tax imposed under this paragraph by a municipality shall be paid to the municipality and, with regard to any tax revenue that may not be retained by the municipality, shall be forwarded to a tourism entity or a commission if one is created under par. (c), as provided in par. (d). Except as provided in par. (am), a tax imposed under this paragraph by a municipality may not exceed 8 percent. Except as provided in par. (am), if a tax greater than 8 percent under this paragraph is in effect on May 13, 1994, the municipality imposing the tax shall reduce the tax to 8 percent, effective on June 1, 1994.

(am) A municipality that imposes a room tax under par. (a) is not subject to the limit on the maximum amount of tax that may be imposed under that paragraph if any of the following apply:

1. The municipality is located in a county with a population of at least 380,000 and a convention center is being constructed or renovated within that county.
2. The municipality intends to use at least 60 percent of the revenue collected from its room tax, of any room tax that is greater than 7 percent, to fund all or part of the construction or renovation of a convention center that is located in a county with a population of at least 380,000.
3. The municipality is located in a county with a population of less than 380,000 and that county is not adjacent to a county with a population of at least 380,000, and the municipality is constructing a convention center or making improvements to an existing convention center.
4. The municipality has any long-term debt outstanding with which it financed any part of the construction or renovation of a convention center.

(b)

1. If a single municipality imposes a room tax under par. (a), the municipality may create a commission under par. (c). The commission shall contract with another organization to perform the functions of a tourism entity if no tourism entity exists in that municipality.
2. If 2 or more municipalities in a zone impose a room tax under par. (a), the municipalities shall enter into a contract under s. 66.0301 to create a commission under par. (c). If no tourism entity exists in any of the municipalities in the zone that have formed a commission, the commission shall contract with another organization in the zone to perform the functions of the tourism entity. Each municipality in a single zone that imposes a room tax shall levy the same percentage of tax. If the municipalities are unable to agree on the percentage of tax for the zone, the commission shall set the percentage.
3. A commission shall monitor the collection of room taxes from each municipality in a zone that has a room tax.
4. A commission shall contract with one tourism entity from the municipalities in the zone to obtain staff, support services and assistance in developing and implementing programs to promote the zone to visitors.

(c)

1. If a commission is created by a single municipality, the commission shall consist of 4 to 6 members. One of the commission members shall represent the Wisconsin hotel and motel industry. Members shall be appointed under subd. 3.

2.

a. If the commission is created by more than one municipality in a zone, the commission shall consist of 3 members from each municipality in which annual tax collections exceed \$1,000,000, 2 members from each municipality in which annual tax collections exceed \$300,000 but are not more than \$1,000,000 and one member from each municipality in which annual tax collections are \$300,000 or less. Except as provided in subd. 2. b., members shall be appointed under subd. 3.

b. Two additional members, who represent the Wisconsin hotel and motel industry, shall be appointed to the commission by the chairperson of the commission, shall serve for a one-year term at the pleasure of the chairperson and may be reappointed.

3. Members of the commission shall be appointed by the principal elected official in the municipality and shall be confirmed by a majority vote of the members of the municipality's governing body who are present when the vote is taken. Commissioners shall serve for a one-year term, at the pleasure of the appointing official, and may be reappointed.

4. The commission shall meet regularly, and, from among its members, it shall elect a chairperson, vice chairperson and secretary.

5. The commission shall report any delinquencies or inaccurate reporting to the municipality that is due the tax.

(d)

1. A municipality that first imposes a room tax under par. (a) after May 13, 1994, shall spend at least 70 percent of the amount collected on tourism promotion and tourism development. Any amount of room tax collected that must be spent on tourism promotion and tourism development shall either be forwarded to the commission for its municipality or zone if the municipality has created a commission, or forwarded to a tourism entity.

2. Subject to par. (dm), if a municipality collects a room tax on May 13, 1994, it may retain not more than the same percentage of the room tax that it retains on May 13, 1994. If a municipality that collects a room tax on May 1, 1994, increases its room tax after May 1, 1994, the municipality may retain not more than the same percentage of the room tax that it retains on May 1, 1994, except that if the municipality is not exempt under par. (am) from the maximum tax that may be imposed under par. (a), the municipality shall spend at least 70 percent of the increased amount of room tax that it begins collecting after May 1, 1994, on tourism promotion and development. Any amount of room tax collected that must be spent on tourism promotion and tourism development shall either be forwarded to the commission for its municipality or zone if the municipality has created a commission, or forwarded to a tourism entity.

3. A commission shall use the room tax revenue that it receives from a municipality for tourism promotion and tourism development in the zone or in the municipality.

4. The commission shall report annually to each municipality from which it receives room tax revenue the purposes for which the revenues were spent.

5. The commission may not use any of the room tax revenue to construct or develop a lodging facility.

6. If a municipality issued debt or bond anticipation notes before January 1, 2005, to finance the construction of a municipally owned convention center or conference center, nothing in this section may prevent the municipality from meeting all of the terms of its obligation.

7. Notwithstanding the provisions of subds. 1. and 2., any amount of room tax revenue that a municipality described under s. 77.994 (3) is required to spend on tourism promotion and tourism development shall be forwarded to, and spent by, the municipality's tourism entity, unless the municipality creates a commission and forwards the revenue to the commission.

8. The governing body of a tourism entity shall include either at least one owner or operator of a lodging facility that collects the room tax described in this section and that is located in the municipality for which the room tax is collected or at least 4 owners or operators of lodging facilities that collect the room tax described in this section and that are located in the zone for which the room tax is collected. Subdivision 4., as it applies to a commission, applies to a tourism entity.

(dm) Beginning with the room tax collected on January 1, 2017, by a municipality that collected a room tax on May 13, 1994, as described in par. (d) 2., and retained more than 30 percent of the room tax collected for purposes other than tourism promotion and tourism development, such a municipality may continue to retain, each year, the greater of either 30 percent of its current year revenues or one of the following amounts:

1. For fiscal year 2017, the same dollar amount of the room tax retained as the municipality retained in its 2014 fiscal year.

2. For fiscal year 2018, the same dollar amount of the room tax retained as the municipality retained in its 2013 fiscal year.

3. For fiscal year 2019, the same dollar amount of the room tax retained as the municipality retained in its 2012 fiscal year.

4. For fiscal year 2020, the same dollar amount of the room tax retained as the municipality retained in its 2011 fiscal year.

5. For fiscal year 2021 and thereafter, the same dollar amount of the room tax retained as the municipality retained in its 2010 fiscal year.

(e)

1. Subject to subd. 2., a district may adopt a resolution imposing a room tax under par. (a) in an amount not to exceed 3 percent of total room charges. A majority of the authorized members of the district's board may vote that, if the balance in a special debt service reserve fund of the district is less than the requirement under s. 229.50 (5), the room tax imposed by the district under this subdivision is 3 percent of total room charges beginning on the next January 1, April 1, July 1 or October 1 after the payment and this tax is irrevocable if any bonds issued by the district and secured by the special debt service reserve fund are outstanding. A room tax imposed by a district under this subdivision applies within the district's jurisdiction, as specified in s. 229.43, and the proceeds of the tax may be used only for the district's debt service on its bond obligations. If a district stops imposing and collecting a room tax, the district's sponsoring municipality may impose and collect a room tax under par. (a) on the date on which the district stops imposing and collecting its room tax.

2. In addition to the room tax that a district may impose under subd. 1., if the district's only sponsoring municipality is a 1st class city, the district may adopt a resolution imposing an additional room tax. The additional percentage of room tax under this subdivision shall be equal to the percentage of room tax imposed by the sponsoring municipality on the date on which the sponsoring municipality agrees to stop imposing and collecting its room tax, as described under s. 229.44 (15). A district shall

begin collecting the additional room tax imposed under this subdivision on the date on which the sponsoring municipality stops imposing and collecting its room tax. A room tax imposed by a district under this subdivision applies only within the borders of the sponsoring municipality and may be used for any lawful purpose of the district.

3. A district adopting a resolution to impose the taxes under subd. 1. or 2. shall deliver a certified copy of the resolution to the secretary of revenue at least 120 days before its effective date.

(f)

1. The department of revenue shall administer the tax that is imposed under par. (a) by a district and may take any action, conduct any proceeding and impose interest and penalties.

2. Sections 77.51 (12m), (14), (14g), (15a), and (15b), 77.52 (3), (13), (14), (18), and (19), 77.522, 77.58 (1) to (5), (6m), and (7), 77.585, 77.59, 77.60, 77.61 (2), (3m), (5), (8), (9), (12) to (15), and (19m), and 77.62, as they apply to the taxes under subch. III of ch. 77, apply to the tax described under subd. 1.

3. From the appropriation under s. 20.835 (4) (gg), the department of revenue shall distribute 97.45 percent of the taxes collected under this paragraph for each district to that district and shall indicate to the district the taxes reported by each taxpayer in that district, no later than the end of the month following the end of the calendar quarter in which the amounts were collected. The taxes distributed shall be increased or decreased to reflect subsequent refunds, audit adjustments and all other adjustments. Interest paid on refunds of the tax under this paragraph shall be paid from the appropriation under s. 20.835 (4) (gg) at the rate under s. 77.60 (1) (a). Any district that receives a report along with a payment under this subdivision or subd. 2. is subject to the duties of confidentiality to which the department of revenue is subject under s. 77.61 (5).

5. Persons who are subject to the tax under this subsection, if that tax is administered by the department of revenue, shall register with the department. Any person who is required to register, including any person authorized to act on behalf of a person who is required to register, who fails to do so is guilty of a misdemeanor.

(2) As a means of enforcing the collection of any room tax imposed by a municipality or a district under sub. (1m), the municipality or district may exchange audit and other information with the department of revenue and may do any of the following:

(a) If a municipality or district has probable cause to believe that the correct amount of room tax has not been assessed or that the tax return is not correct, inspect and audit the financial records of any person subject to sub. (1m) pertaining to the furnishing of accommodations to determine whether the correct amount of room tax is assessed and whether any room tax return is correct.

(b) Enact a schedule of forfeitures, not to exceed 5 percent of the tax under sub. (1m) or par. (c), to be imposed on any person subject to sub. (1m) who fails to comply with a request to inspect and audit the person's financial records under par. (a).

(c) Determine the tax under sub. (1m) according to its best judgment if a person required to make a return fails, neglects or refuses to do so for the amount, in the manner and form and within the time prescribed by the municipality or district.

(d) Require each person who is subject to par. (c) to pay an amount of taxes that the municipality or district determines to be due under par. (c) plus interest at the rate of 1 percent per month on the unpaid balance. No refund or modification of the payment determined may be granted until the person files a

correct room tax return and permits the municipality or district to inspect and audit his or her financial records under par. (a).

(e) Enact a schedule of forfeitures, not to exceed 25 percent of the room tax due for the previous year under sub. (1m) or par. (c) or \$5,000, whichever is less, to be imposed for failure to pay the tax under sub. (1m).

(3) The municipality shall provide by ordinance and the district shall provide by resolution for the confidentiality of information obtained under sub. (2) but shall provide exceptions for persons using the information in the discharge of duties imposed by law or of the duties of their office or by order of a court. The municipality or district may provide for the publishing of statistics classified so as not to disclose the identity of particular returns. The municipality or district shall provide that persons violating ordinances or resolutions enacted under this subsection may be required to forfeit not less than \$100 nor more than \$500.

(4)

(a) Annually, on or before May 1, on a form created and provided by the department of revenue, every municipality that imposes a tax under sub. (1m) shall certify and report to the department, beginning in 2017, all of the following:

1. The amount of room tax revenue collected, and the room tax rate imposed, by the municipality in the previous year.

2. A detailed accounting of the amounts of such revenue that were forwarded in the previous year for tourism promotion and tourism development, specifying the commission or tourism entity that received the revenue. The detailed accounting shall include expenditures of at least \$1,000 made by a commission or a tourism entity.

3. A list of each member of the commission and each member of the governing body of a tourism entity to which the municipality forwarded room tax revenue in the previous year, and the name of the business entity the member owns, operates, or is employed by, if any.

(b) The department of revenue shall collect the reports described in par. (a) and shall make them available to the public.

(c) The department of revenue may impose a penalty of not more than \$3,000 on a municipality that does not submit to the department the reports described in par. (a). A municipality may not use room tax revenue to pay a penalty imposed under this paragraph. The penalty shall be paid to the department of revenue.