

RESOLUTION NO. 1570

A RESOLUTION OF NECESSITY TO FILE A CLAIM IN DISTRICT COURT AGAINST L.S. MULTABI, OWNER OF HOMEWOOD SUITES LOCATED 4900 MADISON PL. BROKEN ARROW, OK 74012 FOR FAILURE TO REPORT AND TO PAY HOTEL OCCUPANCY TAX OWING FOR THE PERIOD OF SEPTEMBER 2023 TO FEBRUARY 2024

WHEREAS, pursuant to Broken Arrow Code Sec 22-112, there is a levied an excise tax of four percent upon the gross proceeds or gross receipts derived from all rent for every occupancy of a room or rooms in a hotel in this city, except that the tax shall not be imposed where the rent is less than the rate of \$5.00 per day; and

WHEREAS, pursuant to Broken Arrow Code Sec 22-115, the hotel operator is responsible for tax collections. The operator shall be responsible for the collection of the tax from the occupant and shall be liable to the City for the tax which shall be held in trust by the operator until paid to the city; and

WHEREAS, pursuant to Broken Arrow Code 22-115(c)(1), every operator shall file with the city manager a report of occupancy and of rents, and of the taxes payable thereon for the period ending on the last day of each month following the effective date of this article. Such return shall be filed within the first 15 days after the end of each such month; and

WHEREAS, Mr. L.S. Multabi, owner of Homewood Suites has been collecting said four (4%) tax from its renters; and

WHEREAS, for the period of time from September 2023 to February 2024 has failed to pay such tax and has failed to file reports for the same time period which is required to be reported within 15 days of the end of the month being reported according to Broken Arrow Code Sec. 22- 115 (c)(1); and

WHEREAS, for the period of September 2023 to February 2024, Mr. L.S. Multabi owner of Homewood Suites has failed to pay approximately \$49,674.65 in taxes owed to the City; and

WHEREAS, Broken Arrow Code Sec. 22-126(d), provides that the City Manager may also authorize the city attorney to institute an action in personam and in rem to enforce payment and collect any delinquent lodging taxes, penalties and/or interest; and

WHEREAS, in order to meet the statutory restrictions, the Legal Department recommends that the Council authorize initiation of a lawsuit for the months of September 2023 to February 2024, in the sum of \$49,674.65.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Broken Arrow, Oklahoma that the filing of a claim in District Court against Mr. L.S Multabi, owner of Homewood Suites is a necessary action for recovery of hotel occupancy taxes owed to the City.

NOW THEREFORE, BE IT FURTHER RESOLVED that the City Attorney is authorized to initiate a lawsuit to recover hotel occupancy taxes owed to the City.

This Resolution is approved in open meeting by the City Council of the City of Broken Arrow on this 16th of April 2024.

Mayor

Attest:

City Clerk

Approved as to form:

Danny Littlefield

Assistant City Attorney