



GUIDE TO MONTHLY ROOM TAX REPORTING

This guide is to assist permit holders in calculating their room tax. Because different Lodging Marketplace platforms require different steps – please refer to each applicable section that you advertise your property with.

2017 WI ACT 59: Currently there are no [LODGING MARKETPLACES](#) registered with the Wisconsin Department of Revenue to collect and remit room tax on behalf of Door County lodging providers. If your Lodging Marketplace is not collecting room tax – you are the responsible party for collecting and remitting room tax in Door County. Should this process change, your Lodging Marketplace is required to notify you. Currently, it does not appear that any Lodging Marketplaces have [NEXUS](#) in the State of WI. The Tourism Zone Commission will update permit holders as information becomes available.

REPORTING AND REMITTING ROOM TAX:

All amounts collected for room shall be deemed to be held in trust by the permit holder collecting the tax until remitted to the Tourism Zone Commission.

HOW DO I FILE MY ROOM TAX REPORTING?

You have two choices to file your room tax. You can file [ONLINE](#) or file by [PAPER REPORT](#). If you wish to file online, your username and password are on the cover letter of the permit packet that was returned to you after submitting the Lodging Permit Application. If you need to obtain a username and password please contact the office. Your username is different than your permit number.

If filing by paper, the due date is the date that the report and payment must be in our office (not postmarked). If the due date for the report month falls on a weekend, the due date remains the same. (See below for due dates by report month). Example: August 2018 room tax is **due in office** by September 30th, 2018.



WHERE DO I GO TO FILE ONLINE?

1. Go to doorcountytourismzone.com and click “File your room tax online” on the home page (top left corner)
 2. Log in, using your User Name (the “RT” number) and the password we provided you with your permit (on the cover letter).
 3. If you cannot locate your RT number information, please call or e-mail the Commission office.
- ✓For step by step instructions, please see the [GUIDE TO ONLINE FILING](#).

WHEN IS ROOM TAX DUE?

DUE DATES: The reports are due in our office by the last day of the month following the report month (August 2018 room tax is **due in office** by September 30th, 2018). You can report online or by mail. If sending by mail, you may want the Post Master to date stamp your envelope. If the due date for the report month falls on a weekend, the due date remains the same. The due date is the date the report has to be in office, not postmarked. **Helpful Hint:** Local mail goes to Green Bay first and then to local post offices – please allow extra time.

Room Tax Due Dates

Report Month	Report and Payment Due in Office By
January	February 28
February	March 31
March	April 30
April	May 31
May	June 30
June	July 31
July	August 31
August	September 30
September	October 31
October	November 30
November	December 31
December	January 31

LATE REPORTING & PAYMENTS: Delinquent returns are subject to a \$25 late fee plus 1% interest that continues to accrue until the tax is paid. After 30 days’ delinquency, an additional twenty-five percent (25%) of the room tax due or five thousand dollars (\$5,000.00) whichever is less, of the tax is due and owing, and other fees (e.g., legal fees incurred) may be assessed. In addition, a \$35 fee will be charged for checks returned as NSF. If

noncompliance continues and the attorney or collection agency must follow up, the permit holder is also subject to paying legal fees.

AM I LATE IF I MAIL THE ROOM TAX REPORT ON OR AFTER THE DUE DATE? YES!

EARLY REPORTING: Please do not report early. You may end up with cancellations or additional rentals that may require amended reports to correct.

WHAT ABOUT ADVANCED DEPOSITS? DO I REPORT THEM WHEN I RECEIVE THEM?

DEPOSITS: Advance deposits should not be reported until the rental period, and then included as part of the total rental. Until then, it is simply a payment to hold the rental period. If a fee is withheld, or the advance payments not refunded due to cancellation, there has been no lodging service. By Sales Tax rules it would not be subject to sales tax, and Room Tax would follow the same rule.

I DON'T NEED TO REPORT IF I HAVE \$0 LODGING SALES, DO I?

We understand that it seems like you shouldn't have to report if you didn't have any lodging activity. However, we wouldn't be able to determine if you had no lodging sales or if you forgot to report. **YES**, you need to report \$0 lodging sales for months that you have indicated that you will be operating your property as a short term rental.

CAN I COMBINE MONTHS ON MY REPORTS?

Months cannot be combined for reporting. **Each month must be reported separately.**

RENTALS THAT CARRY OVER BETWEEN MONTHS: How to report?

Split month stays are reported based on departure date. The departure day is not counted in the nights rented. Please report the taxable revenue and nights rented for a split month stay in the departure month.

Example: You have a stay that carries from February into March. The stay is seven nights and the revenue is \$3,700 for the seven days. You report the seven nights rented in March, along with the taxable revenue.

We understand that this method may lead to more nights rented than nights in the report month during high demand times.

WHAT MONTHS DO I REPORT?

When you submitted your lodging permit application for your property you indicated the months you were going to operate. These are the **only** months that you will need to file a report (unless you have an unexpected rental outside of these months).

If you do not have any rentals in a month you indicated you would be open, a report is still required showing \$0 income. If you have an extra rental outside the months you indicated you were renting, please file your report as usual. You may hear from the Tourism Zone office to ask if the rental months should be changed on your permit.

DOES THE COMMISSION NEED TO KNOW IF MY OPERATING MONTHS HAVE CHANGED?

PERMIT CHANGES: Lodging providers have 14 days from a qualifying event to update information on your permit. A "QUALIFYING EVENT" would be a change in rental agent or contact person, addition or reduction in the number of units available, change in the months the business is open, or the sale of the business. Please use a [CHANGE OF INFORMATION FORM](#) or the [PERMIT APPLICATION FORM](#) and select "Change of Information". If adding units to your permit on the same property, please complete the form and remit prior to advertising the new units. Call or email the office if you have any questions. When you cease rentals and wish to deactivate your permit, please contact the office directly for assistance.

HOW ARE NO-SHOWS & CANCELLATIONS TO BE HANDLED?

Forfeited Room Deposits: Amounts customers deposit to hold a room and which are forfeited to the hotel because the customer fails to arrive and use the room ("no shows") are not subject to Wisconsin Sales Tax or Room Tax, if the room is available to be furnished to another guest. If the hotel keeps the room available for the guest who is charged the deposit, the deposit is taxable.

Cancellation Fees: Amounts charged to customers who cancel a room reservation are not subject to Wisconsin Sales Tax or Room Tax, if the room is available to be furnished to another guest. If the hotel keeps the room available for the customer who is charged the cancellation fee, the cancellation fee is taxable.

ARE ANY GUESTS EXEMPT FROM PAYING ROOM TAX?

In general, sales of lodging services are subject to Room Tax. An exemption applies however, for sales of lodging services to exempt entities that furnish appropriate documentation to the lodging provider or stays for one Month or More — Furnishing lodging to the same person or entity (e.g., corporation, partnership, sole proprietorship) at a hotel for a continuous period of one month or more is not subject to Wisconsin sales tax or Door County Room Tax.

✓ When filling out your monthly report you will be required to enter the CES# when claiming an exemption(s) or provide the dates of the one month or more rental.

✓ **WHAT IS THE DEFINITION OF A MONTHLY RENTAL?** A monthly rental (exempt) means a calendar month or 30 days, whichever is less, counting the first day of the rental and not counting the last (departure) day of rental.

✓ Additional information about the sales tax treatment of lodging services is provided in [PUBLICATION 219, HOTELS, MOTELS AND OTHER LODGING PROVIDERS](#)

HOW ARE LODGING PACKAGES HANDLED?

The entire charge for furnishing lodging packages, which include lodging along with other taxable or nontaxable property or services, is subject to Wisconsin Sales Tax and Room Tax, assuming more than 10 percent of the purchase price and sales price of the package is related to taxable products (i.e., lodging service, prepared food, admissions, etc.).

➤ Example — Lodging Packages: Hotel E offers a lodging package for \$170. The package includes two nights of lodging, two breakfast buffets, dinner, and the use of the health spa. The entire \$170 is subject to tax.

WHAT IS TAXABLE AND WHAT IS NOT?

* You'll want to make sure that you set up your online listings with the correct taxable items. Please refer to WI Department of Revenue [PUBLICATION 219](#) for further details.

TAXABLE:

- **Meeting rooms** used for amusement, entertainment, athletic or recreational purposes.
- **Deposits:** If a guest fails to show and the hotel keeps the room available for the guest who has been charged the deposit, the deposit is taxable.
- **Cleaning fees-** If the cleaning fees are mandatory and charged in connection with the furnishing of lodging the cleaning fee is considered part of the sale of the lodging. If the lodging charge is subject to tax, the cleaning fee is subject to tax.
- **Cancellation Fees:** If the hotel keeps the room available for the customer who is charged the cancellation fee, the cancellation fee is taxable
- **Late Check Out Fees:** Amounts charged to customers for late check-out in connection with the furnishing of lodging are part of the sale of the lodging to the customer. If the lodging is subject to tax, the late check-out fee is also subject to tax.
- **Smoking fees:** A fee charged by the hotel for cleaning that is charged on all smoking rooms is considered part of the sales price from lodging is taxable.
- **Pet Fees:** Amounts charged to customers with pets are considered a part of the total sale of the lodging to the customer. If the lodging charge is subject to tax, the amount charged as a pet fee is also subject to tax.
- **Lodging Packages** — The entire charge for furnishing lodging packages, which include lodging along with other taxable or nontaxable property or services, is subject to Wisconsin sales tax, assuming more than 10 percent of the purchase price and sales price of the package is related to taxable products (i.e., lodging service, prepared food, admissions).
- **Resort Fees and Fuel Surcharge Fees** — Mandatory resort fees and fuel surcharge fees charged in connection with the furnishing of lodging is considered part of the sale of the lodging. If the lodging charge is subject to tax, these fees are also subject to tax.

- **Lost Key Fees** — Amounts charged to customers for lost keys in connection with the furnishing of lodging are part of the sale of the lodging to the customer. If the lodging charge is subject to tax, the lost key fee is also subject to tax.
- **Lock Out Fees** — Amounts charged to guests if the guest is locked out of the room and the lodging provider has to let the guest back into the room are not subject to tax.
- **Furniture and Equipment** — Rentals of furniture and equipment, such as rollaway beds, tables, audio-visual equipment, video tapes and games, DVDs, microphones, microwave ovens, refrigerators, etc., that are separate and optional from the room rental are subject to Wisconsin sales tax.

NOT TAXABLE

- **Complimentary Rooms** A lodging provider is not liable for sales or room tax on the furnishing of complimentary rooms that are provided for no consideration to guests, employees, travel agents, advertisers, or other persons.
- **Meeting Rooms** used for meetings, conventions, conferences and seminars.
- **Forfeited room deposits** – Amounts customers deposit to hold a room and which are forfeited to the hotel because the customer fails to arrive and use the room are not subject to room tax, if the room is available to be furnished to another guest.
- **Security Deposits** — Amounts charged to customers as security deposits solely for damages to the room are not subject to Wisconsin sales tax if such amounts are returned to the customer if there is no damage to the room.
- **Damage fees:** Fees charged by the hotel for damages to the hotel room or furnishings are not subject to tax
- **Cancellation Fees:** Amounts charged to customers who cancel a room reservation are not subject to tax if the room is available to be furnished to another guest.
- **Smoking Fees:** If the charge is a cleaning fee that is imposed only on rooms that require additional cleaning after the lodging period is over, the fee is not taxable.
- **Child Care Service:** Fees for providing child care services are not subject to tax
- Lodging for Federal and Wisconsin Governmental Agencies, Federally Recognized American Indian Tribes or Bands in Wisconsin, and Certain Nonprofit Organizations — Lodging furnished to the agencies, tribes or bands, and organizations listed in PUB 219 are not subject to Wisconsin sales tax: Wisconsin governmental agencies (including counties, cities, villages, towns, and public school districts), Federal governmental agencies, Federally recognized American Indian tribes or bands in Wisconsin, and Nonprofit organizations organized and operated exclusively for religious, charitable, scientific, or educational purposes, or for the prevention of cruelty to children or animals. For lodging furnished to these governmental agencies, tribes or bands, and nonprofit organizations to be exempt from Wisconsin sales tax, please refer to [PUB 219](#) for what must be obtained and kept on file by the lodging provider for tax exempt lodging stays.

GETTING READY TO REPORT:

If you are utilizing multiple Lodging marketplace platforms and have repeat guests that you direct book, you will need to combine your totals from each platform. Simply follow the steps provided below for each method of booking your property.

DIRECT BOOKINGS: Use your GROSS total plus any taxable items such as pet fees and cleaning fees.

- If you include taxes in the total price that you offer to your lodgers, be sure to take your State Sales Tax and Room Tax off your lodging sales so that you don't pay tax on tax. Enter your **GROSS** lodging sales with any taxable items and exempt sales included (no sales or room tax included). If you have exempt sales, use line 4 on the report form to claim the exempt sale. Below there is an example of a direct book reservation and the tax to be paid:

7. In the pop-up window select **Save File**. Save the file in a place that you can access, such as your desktop.
8. Open Excel or another spreadsheet application.
9. Click **File** then click **Open**.
10. Find the .csv file that you have saved and double click on it to import into your active file/spreadsheet/workbook.
 - ✓ The report includes payment history for paid, refunded, and partially refunded payments.
 - ✓ If you have trouble finding the file to open in Excel, repeat steps one through five and then right click and select Open with and choose your spreadsheet application. The file will download and open immediately.
 - ✓ *Information for future use – should VRBO/ Homeaway become a registered Lodging Marketplace in Wisconsin, you will see a total in the column for, “Stay tax we remit”. It is possible the Tourism Zone would need this total in the future.*
 - ✓ For more information on room tax directly from VRBO and Homeaway, please click [here](#).

YOU HAVE GATHERED ALL OF YOUR INFORMATION AND REPORTS FOR THE REPORT MONTH... NOW WHAT?

If you are using multiple means of booking your property it may be helpful to create a table or spreadsheet to add up your data:

Platform	Nights Available	Nights Rented	Gross Lodging Sales
Airbnb (if including room tax in nightly rate-back out)			
VRBO/Homeaway			
Direct Book			
Other:			
Other:			
Totals:	____ = number of units* days in the month	____ = Total number of nights rented on all platforms	____ = Total Gross Lodging Sales

If you had both direct booking and VRBO/Homeaway rentals, we suggest adding your direct booking information to the a spreadsheet similar to the one above so you can easily calculate the totals or you can simply add the direct booking totals to the VRBO/Homeaway spreadsheet totals. (Want to use the spreadsheet above? Contact the office.)

★ YOU ARE NOW READY TO EITHER FILE ONLINE OR BY PAPER REPORT. The [MONTHLY ROOM TAX REPORT](#) has step by step instructions with the report. To file online, see the guide [HOW TO FILE ONLINE](#).

The Tourism Zone is here to help. Call or email the office and we will happily talk you through the online filing, assist with passwords or any other challenges/questions you might encounter.

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