

TOT/RTID Collection Update

FINANCE DEPARTMENT

Kelly Brewton, Finance Director

Kerisa Isaac, Accounts Receivable Specialist

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City of
Ridgecrest



OVERVIEW OF NEW PROCEDURES

- Registering Hotel/Motel
- Filing Monthly TOT/RTID Return
- Payment Processing and Confirmation
- Audit and Compliance Monitoring
- Delinquency and Noncompliance
- Annual Review and Program Evaluation

REGISTERING HOTEL/MOTEL

Code Section 9.5.143 (a)

Hotel Registration: All hotels and short-term rental operators within Ridgecrest are required to register with the city for TOT collection purposes. Each registration should include:

1. Hotel name and location
2. Owner information
3. Operator's contact information
4. Person responsible for return
5. Number of units available to rent

Issuance of TOT Certificate: Upon registration, a TOT permit that authorizes the hotel to collect TOT from guests will be issued. This permit must be visibly displayed on the hotel premises.

FILING MONTHLY TOT/RTID RETURN

Code Section 9.5.143 (b)(c)

Filing Requirements: Hotel/Motel operators are to submit a monthly TOT return, which must include:

- Gross room revenue for the reporting period
- Total TOT/RTID collected (10% of gross room revenue, 5.75% of gross room revenue)
- Occupancy snapshot from Property Management System (details revenue received for reporting period)
- Detailed occupancy data for the reporting period

Submission Options: Operators will be able to file online or in-person.

- Online Filing: Operators will submit their return online with all supporting documents and the accounts receivable specialist will process the return and send the operator a link to make payment for that return.
- Manual Filing: A printable TOT/RTID return form will be available to mail or submit in-person for operators as well.

PAYMENT PROCESSING AND CONFIRMATION

Payment Methods: Payments can be made online by, ACH credit/debit card, or PayPal on the City's website. Payments can also be made by check or credit/debit card for in-person/mail submissions. Payments must be received by the last day of the month following the reporting period.

Receipts and Confirmation: Automatic digital receipts will be issued for online payments, and for in-person/mail submissions, a receipt will be issued once the payment has been processed.

AUDIT AND COMPLIANCE MONITORING

Code Section 9.5.143 (d)

Record-Keeping: Hotels/Motels are required to maintain records—including revenue logs, guest folios, and exemption documentation—for at least three years to support any future audits.

Scheduled Audits: The City will conduct periodic audits of TOT-paying hotels to verify the reported revenue, occupancy data, and taxes paid. Audits will be scheduled at random intervals or triggered by significant reporting discrepancies.

Occupancy Data Review: Reported occupancy snapshots and occupancy data will be analyzed for trends and ensure accuracy. Follow up will occur if any hotel is showing inconsistent occupancy rates or TOT payments.

ONLINE FORMS AND RESOURCES

[City Website - TOT Webpage](#)

[Email Accounts Receivable](#)

[Municipal Code - TOT](#)

[Resolution 23-67 - RTID](#)

TOT Registration Form

- [Online](#)
- [PDF](#)

TOT Return Form

- [Online](#)
- [PDF](#)

ANNUAL REVIEW AND PROGRAM EVALUATION

End-of-Year Report: An annual report summarizing total TOT revenue collected, compliance rates, and enforcement actions taken will be created. To promote transparency and ensure program efficiency this report will be presented at Finance Committee.

Process Improvement: Feedback will be gathered from hotel operators and the TOT collection process will be evaluated. Adjustments will be made to forms or procedures as necessary to improve effectiveness, i.e. survey or mini-town hall with hotels.

DELINQUENCY AND NONCOMPLIANCE

Code Section 1.3.119, 9.5.146, 9.7.236

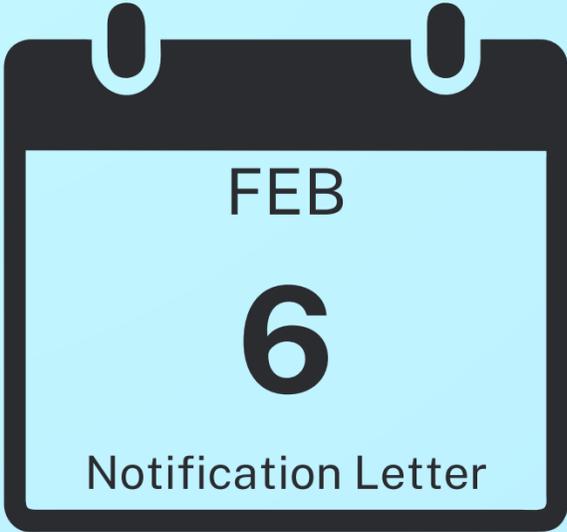
Late Payment Penalty: If TOT payments are late, a 10% penalty is imposed on the unpaid balance.

Interest Charges: For every additional month a payment remains overdue, an interest charge of 0.5% is applied.

Non-Compliance Actions:

- *15-day:* A reminder email will be sent to hotels that have not paid.
- *1-month:* A formal written notice will be sent to the noncompliant hotel, specifying they missed the deadline and that continued noncompliance (i.e. Month 2) will result in an administrative cite and revocation of their business license. (Will also try to reach out through phone to address the issue.)
- *2-month:* An administrative cite for noncompliance will be issued. A second formal notice will be sent to notify the hotel that the City will be revoking their business license along with the administrative cite.

TIMELINE



Operators will be able to file for February and previous months



Notification of Audit Balance Due

Thank you!
