



## Town of Seven Devils

157 Seven Devils Road  
Seven Devils, NC 28604  
www.sevendevils.net  
(828) 963-5343 Office

### ROOM OCCUPANCY TAX REPORT

Must be filed on or before the twentieth (20<sup>th</sup>) day of each month following the month in which the tax accrues.  
Please carefully read the instructions printed on the back before completing this return.

For the month of \_\_\_\_\_, 20\_\_\_\_\_

Street Address of Rental Property:	
Business Contact:	
Mailing Address:	
Contact Telephone Number:	
Email Address:	

If you are filing for multiple properties, please attach a list with street address for each rental property.

1. Gross Taxable Receipts from Rentals (excluding sales tax):	\$
2. Occupancy Tax Due: (Multiply Total Gross Receipts from Rentals by 6 %)	\$
3. Penalty Due for late filing under 30 days (add an additional 5% - see instructions on the back)	\$
4. Penalty Due for late filing over 30 days (add an additional 5% per month- see instructions on the back)	\$
5. Penalty Due for late payment (10 %- see instructions on the back)	\$
7. Total Amount Due (add lines 2 through 5). Make checks payable to: Town of Seven Devils	\$

### CERTIFICATION OF TAXPAYER

This is to certify that this report, including all statements and schedules attached hereto, has been examined by me, and is, to the best of my knowledge and belief, a true and complete report made in good faith covering the month indicated above and that the same is in accordance with the books and records of the reporting taxpayer.

Date: \_\_\_\_\_ Name (please print): \_\_\_\_\_

Signature \_\_\_\_\_

DATE PAID:	NOTES:
AMOUNT RECEIVED:	

# Town of Seven Devils Room Occupancy Tax Instructions

## **Occupancy Tax**

Occupancy Tax. Six percent (6%) of gross receipts derived from the rental of any room, lodging, or similar accommodation furnished by a hotel, motel, inn, tourist camp, bed and breakfast, or similar place that is subject to sales tax imposed by the State of North Carolina under G.S. 105-164.4(a)(3) and 153A-155. This tax is in addition to any state or local sales tax. This tax does not apply to long-term rentals, defined as 90 or more continuous days. Occupancy Tax also applies to rooms or houses rented by individuals through websites including, but not limited to, Airbnb, VRBO, Windu, Roorama, etc.

## **Exceptions**

This tax does not apply to accommodations furnished by nonprofit, charitable, educational, or religious organizations when furnished in furtherance of their nonprofit purpose.

## **Filing Information**

A return must be filed, and the tax paid by the twentieth (20th) day of the month following the month in which the tax accrues. The return may be filed by personal delivery, or U.S. mail. If mailed, the return will be deemed filed as of the date shown on the postmark affixed by the U.S. Postal Service. Please note that the date on a metered stamp is not deemed to be a filing date.

A return must be filed each month even if no tax is due.

Remittance should be made by check or money order and payable to the Town of Seven Devils. Do not send cash.

Line 1. A return should be filed for each accommodation address within the Town of Seven Devils. If you are filing for multiple properties, please attach a list with street address for each rental property.

## **Penalties and Interest**

#3 - if the return is filed after the due date, add additional tax of five percent (5%) of the tax due if the failure is for not more than one month.

#4 - if the return is more than thirty (30) days late, an additional tax of five percent (5%) of the tax due should be added for each thirty (30) days, or fraction thereof.

#5 - Failure to Pay Tax When Due. - In the case of failure to pay any tax when due, add ten percent (10%) of the amount of the tax.

If the bank returns a check because of insufficient funds or the nonexistence of an account, a penalty will be assessed of \$1.00 or ten percent (10%) of the amount of the check, whichever is greater, subject to a maximum of one-thousand dollars (\$1,000.00) per North Carolina General Statute (NCGS) 105-236(a)(1).

If there is a deficiency or delinquency in payment of any tax because of fraud with intent to evade the tax, the Town of Seven Devils shall assess a penalty equal to fifty percent (50%) of the total deficiency.

## **Penalties, Interest, and Remedies (continued)**

Any person who willfully attempts, or any person who aids or abets any person to attempt in any manner to evade or defeat a tax or its payment, shall, in addition to other penalties provided by law, be guilty of a Class H felony.

Any person required to collect, withhold, account for, and pay over any tax who willfully fails to collect or truthfully account for and pay over the tax shall, in addition to other penalties provided by law, be guilty of a Class 1 misdemeanor. Notwithstanding any other provision of law, no prosecution for a violation brought under this subdivision shall be barred before the expiration of six (6) years after the date of the violation.

Any person required to pay any tax, to make a return, to keep any records, or to supply any information, who willfully fails to pay the tax, make the return, keep the records, or supply the information, at the time or times required by law, or rules issued pursuant thereto, shall, in addition to other penalties provided by law, be guilty of a Class 1 misdemeanor. Notwithstanding any other provision of law, no prosecution for a violation brought under this subdivision shall be barred before the expiration of six (6) years after the date of the violation.

## **Policies and Procedures**

The Town of Seven Devils began levying a room occupancy and tourism development tax on November 1, 2005 in accordance with Session Laws 2001-439 and 2002-94 of the North Carolina General Assembly.

A return filed with the Town of Seven Devils, under this Ordinance, is not a public record as defined in Chapter 132-1.1(b) of the North Carolina General Statutes, and may not be disclosed except as required by law.

**If a third party (such as Expedia, Airbnb, VRBO, ect) is collecting AND remitting Occupancy Tax for sales at your establishment, you will not need to remit any tax for those particular sales. You will still have to file the monthly remittance form showing documentation that a third party has remitted occupancy tax for any sales that you did not pay tax on.**

The Town of Seven Devils will take all steps necessary to administer Occupancy Tax as defined in Chapter 160A-206 of the North Carolina General Statutes.

## **Inquiries**

Direct inquiries to the Town of Seven Devils Finance Officer at 828-963-5343.  
[www.sevendevils.net](http://www.sevendevils.net)

## **Remittance**

Remittance should be made to the Town of Seven Devils.



# Occupancy Tax Remitter Information Form

## **Owner Information:**

Business/Owner Name: \_\_\_\_\_

Street Address of Vacation Rental Property: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Vacation Rental Start Date: \_\_\_\_\_

## **Vacation Rental Property is:**

☐ Owner Managed through Websites (Airbnb, VRBO, Windu, Roorama, etc.)

☐ In a Rental Management Program

## **Please fill out this section if your Vacation Rental Property is in a Rental Management Program:**

Rental Management Company: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Please send completed forms to Town of Seven Devils Finance Department. Attn: Occupancy Tax

US Mail: 157 Seven Devils Road, Seven Devils, NC 28604

Email: [townfinance@sevendevils.net](mailto:townfinance@sevendevils.net)

Telephone: 828-963-5343

\*\*\*This form should be updated on an annual basis to ensure that the Finance Department has current information.

North Carolina Department of Revenue  
Post Office Box 25000  
Raleigh, North Carolina 27640-0001

**IMPORTANT NOTICE: Rentals of Hotel Rooms and Accommodations**

Operators of hotels and similar type businesses, including owners of private residences and cottages who rent to transients (and rental agents who rent such accommodations to transients on behalf of the owners), are considered retailers for purposes of administering the North Carolina sales and use tax laws. A privilege tax is imposed on a retailer's gross receipts derived from rentals of rooms and accommodations at the State general rate and applicable local rates unless specifically exempt by statute. This notice clarifies the types of charges that are included in the gross receipts derived from rentals of rooms and accommodations.

**Taxable Receipts from Rentals of Rooms and Accommodations**

G.S. 105-164.4(a)(3) provides that:

"Operators of hotels, motels, tourist homes, tourist camps, and similar type businesses and persons who rent private residences and cottages to transients are considered retailers under this Article. A tax at the general rate of tax is levied on the gross receipts derived by these retailers from the rental of any rooms, lodgings, or accommodations furnished to transients for a consideration. This tax does not apply to any private residence or cottage that is rented for less than 15 days in a calendar year or to any room, lodging, or accommodation supplied to the same person for a period of 90 or more continuous days...."

In addition to the charge for the room or accommodation, accommodation operators may furnish items of tangible personal property or provide other services or amenities for which an additional charge is made. Such items are subject to tax as part of the rental of the accommodation when the owner of the accommodation makes those items available for rental to its guests. The hotel or similar type business is engaged in the business of providing rooms or accommodations, and it is that activity that gives rise to the furnishing of items of tangible personal property. Consequently, charges for cribs, roll-away beds, refrigerators, microwave ovens, and similar items are included in the gross receipts derived from rentals of rooms or accommodations and are subject to tax under G.S. 105-164.4(a)(3).

The following charges are considered to be included in the gross receipts derived from rentals of rooms and accommodations and are subject to tax, unless specifically exempt by law, regardless of whether the charges are separately stated from the base room or accommodation rate:

- Credit card fee;
- Damage fee;
- Early/late departure fee;
- Extra person charge;
- In-room safe rental;



- Inspection fee;
- Linen fee;
- Maid/cleaning fee;
- "Peace of mind" fee (similar to insurance but provided by hotel or rental agency rather than third-party carrier);
- Pet fee (incurred by guests who have pets traveling with them);
- Reservation fee (also referred to as a handling, processing, or administrative fee);
- Security deposit;
- Smoking fee;
- Transfer fee (for changing to a different room or unit or a different date);
- Tentative reservation fee (for priority reservation the following year).
- Charges for cribs and roll-away beds;
- Charges for microwave ovens and refrigerators.

**Taxable Receipts from Rentals of Tangible Personal Property (Not Accommodations)**

Hotels and similar businesses may make rentals of or charges for tangible personal property that are considered separate from the charges for the rentals of rooms and accommodations. **Such charges are taxable as rentals of tangible personal property rather than as part of the rentals of rooms or accommodations and are subject to sales and use tax under a different statute in the Sales and Use Tax laws.** G.S. 105-164.4(a)(2), which levies the tax on rentals of tangible personal property, provides that:

"The applicable percentage rate applies to the gross receipts derived from the lease or rental of tangible personal property by a person who is engaged in the business of leasing or renting tangible personal property, or is a retailer and leases or rents property of the type sold by the retailer...."

The following charges are considered to be rentals of tangible personal property and are subject to tax under G.S. 105-164.4(a)(2) regardless of whether the charges are separately stated from the charge for the room or accommodation:

- Video tapes, DVDs, and related video equipment;
- Beach equipment such as chairs, toys, and umbrellas;
- Recreational equipment such as skis, surf boards, and snorkeling equipment;
- Audio visual equipment.

**Non-taxable Receipts**

The following charges are not considered part of the gross receipts derived from rentals of hotels or similar accommodations and are not rentals of tangible personal property; therefore, these charges are exempt from sales and use tax provided the charges are separately stated:

- Banquet room rental and related facility or service fee (unless the rental is in connection with a catered event);
- Cancellation fee;
- Internet service;

- Guaranteed no-show fee (unless the fee is at the customary or agreed-upon rate, the guest is entitled to the use of the room, and the room cannot be rented to another party);
- Laundry service (provided by an outside laundry/dry-cleaning establishment);
- Returned check charge;
- Telephone calls (unless a set fee is charged to all transients regardless of whether calls are made);
- Trip insurance provided by a third party.

#### **Other Specific Transactions**

*Pay-per-view movies.* Effective January 1, 2007, pay-per-view movies are considered video programming and are subject to the combined general rate of tax under G.S. 105-164.4(6). The video programming service provider is liable for collecting the tax, but, depending on the terms of the contract, a hotel may act as agent for the provider and collect the tax from the guest. An "IMPORTANT NOTICE: Sales Tax on Video Programming Services" dated October 2006, which is available on the Department's website at [www.dornc.com](http://www.dornc.com), contains additional information on video programming.

*Vacation packages.* Effective January 1, 2007, the charge for a vacation package that includes a taxable service (such as room rental) and an exempt service (such as green fee) can be allocated between the taxable and exempt portions of the package notwithstanding that the exempt service is not separately stated. However, a vacation package that includes one or more services (taxable or exempt, such as room rental and/or green fee) and tangible personal property (such as meals) is subject to sales and use tax unless the charge for the exempt portion is separately stated; the charges cannot be allocated between the taxable and exempt portions. **Effective October 1, 2007**, the charge for a package that includes one or more services and tangible personal property may be allocated between the taxable and exempt portions of the package provided certain conditions are met. For example, if a package includes lodging, meals, and green fees for one price, sales tax is due on the portion representing the lodging and meals; the portion of the charge representing the green fees is not subject to tax. This change is the result of the enactment of a new definition of "bundled transaction" and related taxability provisions that are explained in Directive SD-07-1, which is available on the Department's website.

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Questions about this notice can be directed to the Taxpayer Assistance Division at telephone number 1-877-252-3052 (toll-free) or in writing to the Taxpayer Assistance Division, North Carolina Department of Revenue, P.O. Box 25000, Raleigh, N.C. 27640-0001.