

ORDINANCE 4-2026

AN ORDINANCE AMENDING THE PRIVILEGE TAX UPON THE OCCUPANCY IN ANY HOTEL OR MOTEL OR ANY PLACE IN WHICH ROOMS, LODGING OR ACCOMMODATIONS ARE FURNISHED TO TRANSIENTS FOR CONSIDERATION

WHEREAS, every municipality in Tennessee is authorized to levy hotel/ motel or occupancy tax by ordinance, and;

WHEREAS, pursuant to T.C.A. § 67-4-1402, hotel/motel tax levied by a municipality in accordance with this new authorization must not exceed four percent (4%) of the amount charged by the hotel operator, and;

WHEREAS, provided that on or after May 5, 2025 a municipality shall not increase the tax in an amount such that the cumulative tax in an incorporated area of a county exceeds eight percent (8%), and;

WHEREAS, revenues generated by the hotel/motel tax must be designated and used for the promotion of tourism and tourism development (See T.C.A. § 67-4-1403),

NOW THEREFORE IT BE REOLVED, the Town of Cumberland Gap will amend its Hotel/Motel Tax in Chapter five (5) of the city code from:

CHAPTER 5 HOTEL/MOTEL TAX

5-503. Tax levied. There is hereby levied, assessed and imposed, and shall be paid and collected, a privilege tax upon the privilege of occupancy in any hotel of each transient in an amount equal to one percent (1%) of the consideration charged by the operator. Such tax is a privilege tax upon the transient occupying such room and is to be collected as provided herein. (as added by Ord. #07-2022, Feb. 2023 Ch10_06-24-24)

To:

CHAPTER 5 HOTEL/MOTEL TAX

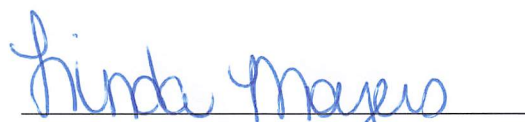
5-503. Tax levied. There is hereby levied, assessed and imposed, and shall be paid and collected, a privilege tax upon the privilege of occupancy in any hotel of each transient in an amount equal to four percent (4%) of the consideration charged by the operator. Such tax is a privilege tax upon the transient occupying such room and is to be collected as provided herein. (as added by Ord. #3-2026, April 2026)

Section 1: This ordinance shall take effect July 1, 2026, the public welfare requiring it.

First reading: April 6, 2026

Second Reading May 4, 2026


Mayor


City Recorder