



# City of McCall

CITY CLERK

[www.mccall.id.us](http://www.mccall.id.us)

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November 5, 2015

Dear McCall Business Owner and Lodging Proprietor:

In the general election of November 3, 2015 the citizens of McCall voted to create two additional Local Option Taxes. Collection of these taxes will begin on January 1, 2016.

**What does this mean for the business owner in McCall?** In addition to the 6% Sales Tax remitted to the State, the business owner will collect an additional 1% Local Option Sales Tax, on all taxable items with the exception of groceries and motor vehicles as defined in Ordinance 936, which will be remitted to the City. Short term rental proprietors will collect an additional 3% Occupancy Tax for lodging sales in addition to the 1% Sales Tax mentioned above, a total of 4% new taxes. Ordinance 936 is enclosed for your reference.

**What will be required of business owners?** To comply with Ordinance 936, the process will be similar to reporting and remitting Idaho State Sales Tax. For the 1% general sales tax, the information is collected from State Form 850 and used to figure the additional 1% tax. For the additional occupancy tax, the information is collected from State Form 1150 and used to figure the additional 3% occupancy tax. These amounts will be remitted to the City with an accompanying tax form that the City will provide to each business owner.

The collection and remittance of the current 3% Local Occupancy Tax will continue unchanged through its expiration date of 2018. Since the different taxes are used for distinctly different purposes, each short term rental proprietor will submit two tax coupons each month to reflect the two different taxes.

**What happens next?** The City Clerk's Office is currently working through the process of implementing these new Local Option Taxes with collection to start on January 1, 2016 and the first remittance due to the City on February 20, 2016. In the month of December each business owner and lodging proprietor will receive personalized tax payment coupons for monthly reporting in 2016. We realize that there may be some businesses that have special reporting circumstances and would welcome your comments on how we can simplify this arrangement.

The City administration along with McCall citizens and visitors are ultimately looking forward to the future transformation of our City streets and infrastructure made possible by this new revenue source. The City Clerk's Office thanks you for cooperating with the collection of these new taxes and is looking forward to working closely with local businesses in the coming months.

Regards,

BessieJo Wagner  
City Clerk