



JOEL KITCHENS

STATE REPRESENTATIVE • 1ST ASSEMBLY DISTRICT

Testimony for the Assembly Committee on Local Government
Assembly Bill 189
Thursday, April 15, 2021

Thank you Chairman Novak and committee members for holding a public hearing and allowing me to testify in support of Assembly Bill 189. This bipartisan legislation helps to ensure that municipalities are receiving the correct amount of room taxes from lodging marketplace companies, such as Airbnb and Vrbo.

An identical version of this bill was passed by the Assembly last session, but it was unable to receive a vote in the Senate because their last floor session was cancelled due to the COVID-19 pandemic.

In a previous session, we passed legislation that required lodging marketplace businesses to begin collecting the room tax on behalf of their short-term rental clients. That change made it vastly easier to collect taxes on short-term rentals, but it also created an unintended problem which we must fix.

Unfortunately, it is very difficult to assure that the proper room tax is being collected and remitted to the appropriate municipality. There are around 300 municipalities that collect the room tax. Each has a different rate and a different form that must be filled out. Some collect quarterly, some monthly, with all different due dates.

The problems are compounded because in many rural areas, like mine, several municipalities share the same zip code, making it more difficult to determine to which municipality the tax is owed.

On top of all this, there is currently no mechanism for a municipality to check whether they are receiving the correct tax payments. Last session, when this bill was first introduced, Airbnb told us “we’ve got this” and “you’re fixing a problem that doesn’t exist.” As you will hear in further testimony, there is a problem and we absolutely must fix it.

First, this bill makes it as easy as possible for lodging marketplaces to comply with the law and meet their obligation to collect and remit the correct room tax to the proper municipality. There will be a standard form prepared by the Department of Revenue. Taxes will be due quarterly, unless the municipality works out a deal with the marketplace to receive them monthly, as some are doing now.

DOR will post on its website the name of each municipality that imposes a room tax, the rate of the room tax and the mailing address of the municipality.

To ensure that each municipality is receiving the correct amount of room tax revenue, the forms will seek and include the following information: the total sales for properties located in a municipality with a room tax, the total number of nights such properties were rented, the room tax rate and the total tax collected. They will not require the addresses of the properties.

If a lodging marketplace company does not file their room tax return on time or neglects to pay the required tax, a municipality may impose a forfeiture that does not exceed 25 percent of the room tax due for the previous year or \$5,000, whichever is less. This is the same penalty for traditional lodging businesses, such as hotels.

If a municipality has probable cause to believe that an incorrect amount of room tax has been assessed or the room tax return is inaccurate, that municipality may audit the records of the lodging marketplace provider.

It's important that we create a level playing field for lodging marketplace businesses, traditional hotels and any other entities that offer overnight rooms. This bill provides measures to move away from having a separate set of rules for each industry. The legislation is also necessary to make sure that all of our municipalities are receiving the correct amount of room taxes to which they are entitled.

Thank you for taking the time to listen to my testimony and I hope you will consider supporting this bill. I would also like to thank Sen. Ballweg and her staff for all the time they put into drafting AB 189. I would be happy to answer any questions if you have them.



Assembly Bill 189: Room Tax
Assembly Committee on Local Government
Testimony of Senator Joan Ballweg
April 15, 2021

Good morning, members of the committee. Thank you for hearing this important piece of legislation.

The room tax is an important and growing source of revenue for municipalities. In 2019, the most recent data available, 293 municipalities have a room tax that collected \$107,757,500 in revenue (please find attached as a part of this testimony a table of each municipality, its rate, and revenue collected). Generally, municipalities are limited to charging no more than 8% for the tax, and 70% of the revenue must be used for tourism promotion and development, with certain exceptions.

This bill will help municipalities ensure they are receiving the room tax they are due, specifically from lodging marketplaces, which are third party entities that provide a platform for people to offer for rent a short-term rental unit. As of April 5, 2021, DOR reported 30 active lodging marketplaces in Wisconsin, of which the most well-known example is likely Airbnb (please see the attached list of Active Lodging Marketplace Licensees).

One of the issues is that the room tax is remitted based on zip code, which makes it difficult for a municipality to know if they are receiving the correct amount. To fix this, the bill requires the marketplace provider to collect the room tax and file it with the appropriate municipality quarterly and submit a form to the Department of Revenue with the following information:

- Total sales for properties located in a municipality with a room tax
- Total number of nights properties were rented
- The rate of the room tax applied to total sales
- Total tax collected for properties located in a municipality with a room tax

The bill gives a municipality the ability to call for an audit of the tax-related records of entities subject to a room tax if the municipality has probable cause, and it clarifies that the fine that may be imposed for failure to pay the room tax applies to a marketplace provider, too.

We introduced an amendment that allows the tax to be remitted more frequently than the quarterly requirement if an agreement exists between the marketplace provider and municipality, based on feedback we received from a municipality that has such an agreement in place.

This bill is based on legislation from last session (2019 AB 683/SB 646), which passed the Assembly and the Senate committees in March of 2020.

Thank you for your consideration of AB 189.

APPENDIX

2019 Room Tax Rates and Reported Revenues

Municipality ⁽¹⁾	2019 Room Tax Rate ⁽²⁾	2019 Reported Tax Revenues ⁽³⁾	Municipality ⁽¹⁾	2019 Room Tax Rate ⁽²⁾	2019 Reported Tax Revenues ⁽³⁾
Adams			Columbia		
Adams (C)	5.0%	\$503	Caledonia (T)	2.4%	\$46,054
Adams (T)	5.5	9,434	Columbus (C)	6.0	90,502
Dell Prairie (T)	5.0	55,719	Portage (C)	6.0	159,709
Rome (T)	8.5	502,641	Wisconsin Dells (C)	5.5	1,966,571
Strong's Prairie (T)	5.5	46,924	Crawford		
Ashland			Bridgeport (T)	5.0	11,639
Ashland (C)	6.5	129,789	Ferryville (V)	4.0	11,423
La Pointe (T)	6.5	179,307	Prairie du Chien (C)	6.0	273,308
Barron			Soldiers Grove (V)	5.0	5,910
Barron (C)	6.0	33,893	Dane		
Rice Lake (C)	5.5	286,882	Blooming Grove (T)	5.5	93,963
Turtle Lake (V)	4.0	74,104	Fitchburg (C)	7.0	36,775
Bayfield			Madison (C)	10.0	18,929,841
Bayfield (C)	8.0	350,108	Madison (T)	8.0	126,101
Bayfield (T)	6.5	63,930	McFarland (V)	8.0	7,101
Bayview (T)	6.5	19,066	Middleton (C)	8.0	1,986,710
Cable (T)	4.0	18,911	Middleton (T)	5.0	40,516
Drummond (T)	4.0	12,390	Monona (C)	8.0	263,115
Eileen (T)	6.5	78,026	Mount Horeb (V)	5.0	80,821
Grand View (T)	4.0	13,417	Oregon (V)	8.0	50,206
Hughes (T)	3.0	4,706	Stoughton (C)	6.0	72,146
Iron River (T)	3.0	12,611	Sun Prairie (C)	7.0	362,822
Namakagon (T)	4.0	123,858	Verona (C)	7.0	655,214
Washburn (C)	6.5	52,961	Vienna (T)	5.0	149,777
Brown			Waunakee (V)	5.0	22,953
Allouez (V)	10.0	5,063	Windsor (T)	7.0	30,301
Ashwaubenon (V)	10.0	467,501	Dodge		
Bellevue (V)	10.0	13,744	Beaver Dam (C)	5.0	120,032
De Pere (C)	10.0	8,719	Lomira (V)	4.0	7,694
Green Bay (C)	10.0	471,597	Waupun (C)	7.5	99,381
Howard (V)	10.0	12,958	Door		
Pulaski (V)	8.0	34,448	Baileys Harbor (T)	5.5	117,837
Suamico (V)	10.0	151,473	Clay Banks (T)	5.5	1,399
Buffalo			Egg Harbor (T)	5.5	140,768
Alma (C)	5.0	3,155	Egg Harbor (V)	5.5	136,436
Burnett			Ephraim (V)	5.5	186,243
Siren (V)	5.0	78,790	Forestville (T)	5.5	200
Calumet			Gardner (T)	5.5	11,441
Brillion (C)	4.0	19,769	Gibraltar (T)	5.5	230,108
Chippewa			Jacksonport (T)	5.5	31,150
Chippewa Falls (C)	6.0	222,949	Liberty Grove (T)	5.5	104,484
Lake Hallie (V)	8.0	369,373	Nasewaupee (T)	5.5	32,462
Clark			Sevastopol (T)	5.5	101,895
Abbotsford (C)	3.0	26,703	Sister Bay (V)	5.5	196,411
Neillsville (C)	6.0	32,312	Sturgeon Bay (T)	5.5	12,781
Thorp (C)	5.0	39,827	Sturgeon Bay (C)	5.5	200,494
			Union (T)	5.5	1,531
			Washington (T)	5.5	27,714

Municipality ⁽¹⁾	2019 Room Tax Rate ⁽²⁾	2019 Reported Tax Revenues ⁽³⁾	Municipality ⁽¹⁾	2019 Room Tax Rate ⁽²⁾	2019 Reported Tax Revenues ⁽³⁾
Douglas			Juneau		
Solon Springs (V)	2.0%	\$9,364	Lemonweir (T)	5.0%	\$36,751
Superior (C)	7.5	864,506	Mauston (C)	5.0	155,202
Dunn			New Lisbon (C)	5.0	35,844
Menomonie (C)	7.0	466,087	Union Center (V)	5.0	881
Eau Claire			Kenosha		
Altoona (C)	7.0	221,194	Kenosha (C)	8.0	958,324
Eau Claire (C)	8.0	2,017,248	Pleasant Prairie (V)	8.0	80,702
Union (T)	8.0	142,260	Wheatland (T)	8.0	4,392
Fond du Lac			Kewaunee		
Fond du Lac (C)	8.0	1,094,120	Algoma (C)	6.0	80,260
Ripon (C)	7.0	130,584	Kewaunee (C)	4.0	27,370
Forest			La Crosse		
Crandon (C)	4.5	15,476	Campbell (T)	5.0	25,032
Hiles (T)	4.5	5,150	Hamilton (T)	1.0	1,485
Laona (T)	4.5	3,385	Holmen (V)	5.0	17,747
Lincoln (T)	4.5	3,312	La Crosse (C)	9.5	2,879,499
Nashville (T)	4.5	13,022	Onalaska (C)	8.0	807,953
Wabeno (T)	3.0	1,531	West Salem (V)	3.0	20,440
Grant			Lafayette		
Boscobel (C)	5.0	41,108	Belmont (V)	4.0	17,259
Lancaster (C)	5.0	6,265	Darlington (C)	4.0	5,007
Platteville (C)	5.0	175,973	Langlade		
Green			Antigo (C)	6.0	122,652
Monroe (C)	4.0	97,595	Lincoln		
New Glarus (V)	5.0	81,303	Merrill (C)	6.0	101,621
Green Lake			Tomahawk (C)	4.0	46,440
Berlin (C)	4.0	5,310	Manitowoc		
Brooklyn (T)	5.0	30,560	Manitowoc (C)	8.0	638,265
Green Lake (C)	7.0	91,184	Mishicot (V)	8.0	79,016
Iowa			Two Rivers (C)	8.0	116,372
Dodgeville (C)	5.5	79,127	Marathon		
Mineral Point (C)	5.0	54,864	Mosinee (C)	8.0	40,597
Iron			Rib Mountain (T)	8.0	535,395
Hurley (C)	5.0	29,642	Rothschild (V)	8.0	636,892
Kimball (T)	5.0	50,368	Schofield (C)	8.0	15,093
Mercer (T)	4.5	100,644	Wausau (C)	8.0	975,538
Montreal (C)	5.0	1,060	Weston (V)	8.0	470,315
Jackson			Marinette		
Black River Falls (C)	7.0	9,067	Marinette (C)	6.0	297,210
Brockway (T)	7.0	215,482	Marquette		
Jefferson			Buffalo (T)	4.5	1,446
Fort Atkinson (C)	5.0	46,578	Harris (T)	4.5	1,108
Jefferson (C)	5.0	5,954	Mecan (T)	4.5	13,883
Johnson Creek (V)	8.0	136,572	Montello (C)	2.0	7,097
Watertown (C)	5.0	123,732	Montello (T)	4.5	9,907
			Oxford (T)	4.5	3,383
			Packwaukee (T)	4.5	5,573
			Westfield (V)	4.5	3,283

Municipality ⁽¹⁾	2019 Room Tax Rate ⁽²⁾	2019 Reported Tax Revenues ⁽³⁾	Municipality ⁽¹⁾	2019 Room Tax Rate ⁽²⁾	2019 Reported Tax Revenues ⁽³⁾
Milwaukee			Price		
Brown Deer (V)	7.0%	\$504,958	Eisenstein (T)	4.5%	\$2,283
Cudahy (C)	7.0	10,816	Lake (T)	4.5	4,740
Franklin (C)	6.0	359,041	Park Falls (C)	4.5	21,341
Glendale (C)	7.0	913,726	Phillips (C)	3.0	18,117
Greenfield (C)	7.0	9,187	Racine		
Milwaukee (C)	7.0	15,736,548	Burlington (C)	6.0	126,889
Oak Creek (C)	8.0	1,160,965	Caledonia (V)	8.0	6,959
Wauwatosa (C)	7.0	1,607,813	Mount Pleasant (V)	8.0	381,969
West Allis (C)	7.0	343,377	Racine (C)	8.0	390,163
West Milwaukee (V)	8.0	230,535	Waterford (V)	8.0	15,725
Monroe			Yorkville (T)	8.0	6,409
Sparta (C)	7.0	152,262	Richland		
Tomah (C)	8.0	626,070	Richland Center (C)	5.0	58,866
Oconto			Rock		
Gillett (C)	6.0	2,067	Beloit (C)	8.0	206,697
Oneida			Evansville (C)	7.0	14,700
Minocqua (T)	4.0	444,410	Janesville (C)	8.0	1,107,159
Pelican (T)	3.5	55,465	Rusk		
Rhineland (C)	5.5	235,627	Ladysmith (C)	4.0	46,816
Three Lakes (T)	4.5	75,908	St. Croix		
Woodruff (T)	4.0	10,323	Baldwin (V)	5.0	76,007
Outagamie			Hudson (C)	3.0	263,744
Appleton (C)	10.0	183,440	New Richmond (C)	5.0	124,024
Grand Chute (T)	10.0	377,454	Sauk		
Kaukauna (C)	10.0	19,129	Baraboo (C)	6.0	9,395
Kimberly (V)	10.0	55,209	Delton (T)	5.5	146,555
Little Chute (V)	10.0	20,173	Lake Delton (V)	5.5	10,980,528
Ozaukee			Merrimac (T)	7.0	109,902
Belgium (V)	7.0	9,115	Prairie du Sac (T)	6.0	6,951
Cedarburg (C)	5.0	84,110	Reedsburg (C)	6.0	94,959
Grafton (V)	7.0	387,762	Sauk City (V)	6.0	45,329
Port Washington (C)	8.0	259,003	West Baraboo (V)	6.0	180,387
Saukville (V)	7.0	36,665	Sawyer		
Pepin			Hayward (C)	4.0	84,114
Pepin (V)	8.0	25,577	Hayward (T)	4.0	105,877
Pierce			Hunter (T)	4.0	167,965
River Falls (C)	5.0	140,602	Lenroot (T)	2.0	19,545
Polk			Shawano		
Amery (C)	5.0	4,475	Belle Plaine (T)	3.0	23,727
Luck (V)	2.0	11,911	Cecil (V)	3.0	40
Osceola (V)	3.0	15,525	Shawano (C)	4.5	25,569
St. Croix Falls (C)	4.0	19,204	Washington (T)	8.5	512
Portage			Wescott (T)	4.5	21,433
Plover (T)	8.0	70,932	Wittenberg (T)	8.0	55,054
Plover (V)	8.0	314,002			
Stevens Point (C)	8.0	945,953			

Municipality ⁽¹⁾	2019 Room Tax Rate ⁽²⁾	2019 Reported Tax Revenues ⁽³⁾	Municipality ⁽¹⁾	2019 Room Tax Rate ⁽²⁾	2019 Reported Tax Revenues ⁽³⁾
Sheboygan			Washburn		
Elkhart Lake (V)	7.0%	\$747,892	Beaver Brook (T)	5.0%	\$5,918
Kohler (V)	5.0	1,265,070	Spooner (C)	5.5	5,776
Plymouth (C)	8.0	210,813	Washington		
Sheboygan (C)	8.0	1,612,432	Germantown (V)	6.0	306,733
Sheboygan (T)	8.0	78,202	Hartford (C)	7.0	143,805
Sheboygan Falls (C)	5.0	34,785	Jackson (V)	5.0	48,484
Wilson (T)	8.0	91,655	West Bend (C)	8.0	388,438
Taylor			Waukesha		
Medford (C)	4.0	43,892	Brookfield (C)	10.5	3,389,098
Rib Lake (V)	5.0	1,830	Brookfield (T)	8.0	809,345
Trempealeau			Delafield (C)	8.0	489,393
Osseo (C)	5.0	5,016	Menomonee Falls (V)	8.0	369,061
Trempealeau (V)	2.5	7,336	Mukwonago (V)	6.0	13,457
Vernon			New Berlin (C)	8.0	248,484
Hillsboro (C)	5.0	27,962	Oconomowoc (C)	6.0	336,752
Viroqua (C)	3.0	23,507	Pewaukee (C)	6.0	808,854
Vilas			Waukesha (C)	8.0	718,772
Arbor Vitae (T)	4.0	80,724	Waupaca		
Boulder Junction (T)	5.5	154,947	Clintonville (C)	5.0	32,200
Eagle River (C)	4.5	72,251	Fremont (V)	4.5	14,939
Land O Lakes (T)	4.5	48,349	New London (C)	6.0	13,472
Lincoln (T)	4.5	13,940	Waupaca (C)	8.0	271,268
Manitowish Waters (T)	4.5	106,859	Waushara		
Plum Lake (T)	4.5	63,687	Dakota (T)	4.0	10,856
Presque Isle (T)	4.5	10,319	Marion (T)	4.0	32,918
Saint Germain (T)	4.5	385,087	Mount Morris (T)	4.0	6,673
Washington (T)	4.5	234,174	Wautoma (T)	4.0	27,911
Walworth			Wild Rose (V)	4.0	1,031
Delavan (C)	8.0	757,390	Winnebago		
Delavan (T)	8.0	141,583	Fox Crossing (V)	10.0	8,562
East Troy (V)	5.0	12,902	Menasha (C)	10.0	356
Elkhorn (C)	6.0	163,294	Neenah (T)	10.0	1,376
Fontana (V)	5.0	507,310	Neenah (C)	10.0	80,708
Geneva (T)	6.0	339,604	Oshkosh (C)	10.0	1,854,394
La Fayette (T)	6.0	44,127	Wolf River (T)	4.5	5,870
Lake Geneva (C)	5.0	798,242	Wood		
Lyons (T)	3.0	818,942	Marshfield (C)	8.0	563,079
Walworth (V)	5.0	1,995	Wisconsin Rapids (C)	8.0	<u>408,245</u>
Whitewater (C)	8.0	104,115	Total		
Williams Bay (V)	5.0	14,848	\$107,757,459		

⁽¹⁾ T=Town, V=Village, C=City

⁽²⁾ Rate in place on December 31, 2019, for those municipalities that, according to DOR room tax reports, reported room tax revenues for 2019.

⁽³⁾ Amounts reported on municipal financial report forms submitted to DOR. DOR does not audit these figures as they are not used for state aid purposes. Some municipalities do not show the share of room taxes going to their tourism entities on the financial report form. In certain instances, the amounts reported reflect revenue figures from the DOR room tax reports. Figures include the City of Milwaukee 7% room tax collections for the Wisconsin Center District.

Sources: Department of Revenue and Legislative Fiscal Bureau

List of Active Lodging Marketplace Licenses

Business Name	Business Mailing Address	Issue Date
THE CONGER COLLECTION	1706 BELLEWOOD DR, WAUNAKEE WI 53597	11/8/2017
JPPSL LLC	14701 CROSSCREEK DR, AUSTIN TX 78737	11/9/2017
TRILLIUM	E10596 E SALEM RIDGE RD, LA FARGE WI 54639	11/13/2017
EAGLE RIVER LANDING LLC	4216 DREXEL AVE, MADISON WI 53716	11/22/2017
A.M.A.Z.E. ENTERPRISES LLC	PO BOX 580207, PLEASANT PRAIRIE WI 53158	11/24/2017
DOOR COUNTY WATERFRONT RENTAL LLC DBA SUITE ON THE WATER	948 MEMORIAL DR, STURGEON BAY WI 54235	11/24/2017
S & J SUNSHINE RENTALS LLC	5430 STENNER HILL RD, BOSCOBEL WI 53805	11/24/2017
IMSE & BROWN	W148N9959 RIMROCK RD, GERMANTOWN WI 53022	1/8/2018
HILGART REALTY INC	PO BOX 286, PARK FALLS WI 54552	2/9/2018
THE REAL ESTATE GROUP INC	5355 SCHROTH LN, APPLETON WI 54913	2/9/2018
HANSON REALTY INC	PO BOX 275, PEMBINE WI 54156	2/9/2018
WICO INC DBA EVERGREEN PARK	12525 KNOLLWOOD LN #28, SURING WI 54174	5/29/2018
PROPERTY MANAGEMENT OF HAYWARD INC	PO BOX 1269, HAYWARD WI 54843	6/20/2018
NICOLET VACATIONS LLC	2470 CATHERINE DR, RACINE WI 53402	7/20/2018
HILLER VACATION HOMES LLC	200 STATE HWY 70, SAINT GERMAIN WI 54558	9/21/2018
A-CUBED DBA SAND COUNTY SERVICE COMPANY	PO BOX 409, LAKE DELTON WI 53940	9/25/2018
JD BNB LLC	1914 W KILBOURN AVE, MILWAUKEE WI 53233	12/3/2018
SCHULDES PROPERTIES LLC	305 CENTURY OAK DR, WAUKESHA WI 53188	1/28/2019
JAMBER INVESTMENTS LLC	3506 CROCUS DR, DE PERE WI 54115	4/4/2019
KEEFE & ASSOCIATES INC DBA NORTHERN WATERS VACATION RENTAL/KEEFE VACATION RENTALS	751 GENEVA PKWY N, LAKE GENEVA WI 53147	4/12/2019
RECREATIONAL RENTAL PROPERTIES INC	PO BOX 1361, HAYWARD WI 54843	4/12/2019
NORTHWOODS HOME RENTALS & REAL ESTATE LLC DBA NORTHWOODS HOME RENTALS	5256 US HWY 51, MANITOWISH WATERS WI 54545	5/6/2019
HOME STAY GETAWAYS LLC	42W588 STILL MEADOWS LN, ELBURN WI 60119	5/6/2019
BIRCH ISLAND LLC	28865 BIRCH ISLAND LAKE DR, DANBURY WI 54830	5/6/2019
AIRBNB INC	888 BRANNAN ST, SAN FRANCISCO, CA 94103	5/16/2019
114 W MAIN ST LLC DBA BAEHR HAUS	130 N BRISTOL ST, SUN PRAIRIE WI 53590	5/16/2019
HARVS VACATION RENTALS INC	8066 MOHAWK TRL, ST GERMAIN WI 54558	11/1/2019
VACASA WISCONSIN LLC	PO BOX 1338, BOISE ID 83701	12/9/2019
YANG-LAO PROPERTIES LLC	161940 GUSMAN RD, SCHOFIELD WI 54476	12/9/2019
STEPAWAY VACATION RENTALS LLC	1452 STATE HIGHWAY 155, ST GERMAIN WI 54558	2/26/2021

This list is updated monthly

4/5/2021



MARY FELZKOWSKI

STATE SENATOR • 12TH SENATE DISTRICT

Testimony for AB 168

Senator Mary Felzkowski
Committee on Local Government
April 15, 2021

Good afternoon Chairman Novak and Committee Members,

Thank you for the opportunity to testify on Assembly Bill 168, which will allow village trustees to further serve their communities.

Even before becoming a state, small rural communities have been the backbone of Wisconsin. These towns and villages, often founded by immigrants searching for a new home and new opportunities, quickly sprang up across the state to support the farming, mining, and lumber industries. Many of these places continue to persevere to this day, and still make up the majority of communities in many of the legislative districts throughout the state, including the 12th Senate District.

In some of these communities throughout the state, especially smaller villages and towns, it can be difficult to find employees for positions that are vacated due to resignations, retirements, or staff situations requiring long-term absences. Unfortunately, current law stipulates that town and village board members are generally ineligible for any position that the board has authority to fill. However, current law does allow for an exception that can be used by towns, allowing town board members to become community employees as long as their wages do not exceed \$15,000 each year. We would like to amend current law to allow the same exception for village board members.

AB 168 authorizes village trustees, much like their town board counterparts, to be hired as community employees and receive an hourly wage up to \$15,000 each year without violating state laws. This would allow village trustees, who already play a vital role in our communities, to step in and fill other necessary positions that keep our villages operating at their best. For many small communities, both in my district and throughout Wisconsin, this bill will go a long way towards ensuring villages remain staffed and running smoothly.

I am grateful to my Assembly author, Rep. Mursau and his staff for their hard work on this legislation. Thank you for your time today, and thank you for your consideration of this bill.



131 W. Wilson St., Suite 505
Madison, Wisconsin 53703
phone (608) 267-2380; (800) 991-5502
fax: (608) 267-0645
league@lwm-info.org; www.lwm-info.org

To: Assembly Committee on Local Government
From: Curt Witynski, J.D., Deputy Director, League of Wisconsin Municipalities
Date: April 15, 2021
Re: AB 189, Collecting Room Taxes from Online Marketplace Providers

The League of Wisconsin Municipalities supports AB 189, requiring marketplace providers like Airbnb and Expedia to provide municipalities with more information about room tax collections which communities may be able to use to ensure they are receiving the full amount of room taxes owed.

Over 290 municipalities impose a room tax in Wisconsin. In 2019 room tax collections generated about \$107 million in revenue statewide. Obviously, that number is likely to be significantly less in 2020 owing to the COVID Pandemic.

Cities and villages typically retain only 30% of the room tax revenue they collect. State law mandates that 70% be forwarded to tourism entities or tourism commissions to be spent on tourism promotion and development.

This bill will help municipalities determine whether online hotel and short-term home rental booking services are collecting and remitting all the room taxes owed to them as 2019 Wisconsin Act 10 requires.

Under AB 189, Airbnb, Expedia, and other online lodging marketplace providers charged with collecting and remitting room taxes are required to collect the room tax and file it with the municipality, on a form specified by DOR, on a quarterly basis. The form must contain at least the following information:

- The total sales for properties located in a municipality with a room tax.
- The total number of nights such properties were rented.
- The room tax rate.
- The total tax collected.

The bill further provides that if a marketplace provider does not file the required room tax returns to municipalities in a timely fashion or fails to pay the taxes, a municipality may impose a forfeiture of up to \$5,000 annually.

We also support Amendment 1 to the bill, giving communities the ability to reach agreement with marketplace providers for payment of room taxes on a more frequent basis than quarterly. Communities like Brookfield, Wausau and others are currently receiving payments from online lodging marketplace providers monthly. The League thanks Rep. Kitchen's for introducing this amendment at our request.

We urge you to recommend passage of Amendment 1 and AB 189 as amended. Thanks for considering our comments.

YOUR VOICE. YOUR WISCONSIN.



To: Members, Assembly Committee on Local Government
From: Julia Hertel, Executive Director
Date: April 15, 2021
Re: Testimony in Support of AB 189

Chair and committee members: Destinations Wisconsin is comprised of 40 destination marketing organizations that promote destinations throughout our state. We request your support of AB 189.

Almost all of our member convention & visitor bureaus and chambers of commerce receive a portion of their funding from room tax allocations and use those dollars for tourism promotion and tourism development in their destinations. We believe the technical changes recommended in this bill will help ensure that our members, and the municipalities they promote, receive accurate room tax collections in a timely manner from online lodging marketplaces such as Airbnb, Expedia, VRBO and more.

While this bill doesn't solve all the issues surrounding the collection and remittance of room taxes, it does take an important step in the right direction. The bill gives the marketplaces clearer direction on how to comply with our room tax law and requires them to remit the taxes in an accurate and timely manner or face penalties.

We have heard from our members that some of these lodging marketplaces are sending room tax collections to the wrong municipality, collecting the incorrect amount of tax, and have even asked tourism entities to receive the collections and then distribute to the municipalities they serve. Communication attempts to correct these problems have also been problematic with unanswered phone calls and emails.

Room tax collections designated for tourism promotion and tourism development are essential to our local and state tourism economies, especially now when room taxes are down in several of our destinations due to the ongoing pandemic. Some of the dollars are tied to bonding for convention centers or other facilities used by tourists. Some are funding essential marketing campaigns that are driving visitors back to destinations around the state. And, of course, some of the collections are used by the municipalities to support essential programs. If the growing online lodging marketplaces aren't correctly collecting and remitting room taxes, our municipalities and tourism economy are negatively impacted.

Please support AB 189 to help ensure that our municipalities and their tourism entities receive room tax collections in a timely and accurate manner.

PO Box 393, Sun Prairie, WI 53590
608-837-6693 phone
www.destinationswisconsin.com
Jhertel@destinationswisconsin.com



1025 South Moorland Road, Suite 200
Brookfield, WI 53005

To: Members of the Assembly Committee on Local Government
Representative Todd Novak, Chairman

From: Jon Jossart, General Manager, Ambassador Hotel-Milwaukee, and
Vice Chairman, Wisconsin Hotel & Lodging Association Board of Directors, and
Legislative Committee Chairman, Wisconsin Hotel & Lodging Association

Date: April 15, 2021

Re: Support for AB 189 – Collection & Remittance of Room Tax by Marketplace Providers

As a hotel executive for over 20 years of multiple properties renting lodging in Wisconsin, as well as a Member of the Board of Directors for the only state association representing the entire lodging industry in Wisconsin, I feel it is important to express the frustration hundreds of both small and large lodging owners and operators around the state who follow the law in collecting and remitting room tax to their local municipalities.

While the lodging properties work diligently to follow the law and support our communities, thousands of short-term rentals, processed by large and profitable marketplace providers, continue to by-pass the collection and remittance of the room tax, in whole or in part, by either not remitting any room tax at all, not remitting room taxes collected to the proper municipality or possibly only remitting taxes based upon a portion of the total sale price paid by the consumer.

Room taxes are a tremendously valuable tool which supports the promotion of tourism in our state and our local communities, and also provides additional funding to many municipal governments throughout the state. It is vital that we protect these funds for promoting local tourism, helping to attract visitors who are critical to the success of our local businesses.

AB 189 is another important step toward leveling the playing field across the lodging industry, whether a marketplace provider, a short-term rental and traditional lodging property, such as hotels, motels and resorts, ensuring all entities are collecting and remitting room tax in full. AB 189 is really addressing Tax Fairness and we would appreciate your consideration in moving this legislation forward.

Please support AB 189.



1025 South Moorland Road, Suite 200
Brookfield, WI 53005

To: Members of the Assembly Committee on Local Government
Representative Todd Novak, Chairman

From: Kathi Kilgore, Contract Lobbyist
Wisconsin Hotel and Lodging Association

Date: April 15, 2021

Re: Support for AB 189 – Collection & Remittance of Room Tax by Marketplace Providers

Thank you, Chairman Novak and members of the Committee for allowing me to speak today. The Wisconsin Hotel & Lodging Association represents hotels, motels, resorts, inns, bed & breakfasts, and lodging executives throughout the state. It is on behalf of these members that I respectfully request your support of AB 189. AB 189 is the same legislation that was passed last session by the Assembly in February 2020. It did not receive a vote in the Senate because their March 2020 floor session was cancelled due to the COVID-19 pandemic.

2019 Act 10, which went into effect on January 1, 2020, created the requirement for marketplace providers to collect and remit sales taxes on the sales price of the purchase of goods and some services. The legislation also required the collection and remittance of room tax by marketplace providers that facilitate the sale or furnishing of rooms, lodging or other accommodations to tourists.

AB 189 ensures that the room tax dollars that are collected by marketplaces, such as Airbnb, VRBO and Expedia are remitted to the correct municipality by requiring the room tax be distributed based on the physical address of the property rather than by zip code, which is common practice.

This legislation also requires counties to provide the Department of Revenue with the complete county tax roll. Once this information is provided, DOR will create a database with the information to help marketplace providers identify what municipality an address is in. (This database will also assist DOR in the collection of premier resort taxes.) Marketplace providers or their software providers can then upload the new DOR database into their platform so that they have the ability to more accurately know what municipality the property is in.

Coupled with another provision of AB 189 that requires DOR to create and maintain a centralized website to provide municipal contact information and room tax rates for each municipality, marketplace providers will have the tools to collect the correct amount of the room tax and ensure they are remitting the taxes to the proper municipality.

AB 189 gives the municipalities the tools to properly enforce the room tax law by giving them the ability to levy forfeitures against a marketplace provider that is not complying with the law. The bill also allows municipalities to collect vital information and potentially review room-tax related records or conduct room-tax related audits.

Room tax collections are vitally important to municipalities and the entire tourism industry alike. In most municipalities that collect room tax, a majority of the room tax funds are designated for tourism promotion and tourism development. These funds are essential to growing our local and state tourism economies.

On behalf of the members of the Wisconsin Hotel & Lodging Association across the state, I ask for you to support AB 189. Thank you for your consideration.



DOOR COUNTY TOURISM ZONE COMMISSION

PO Box 55, Sister Bay, WI 54234

920-854-6200 – Fax: 920-854-9019

E-mail: info@doorcountytourismzone.com

Website: www.doorcountytourismzone.com

April 14, 2021

Dear Chairman Novak and Committee on Local Government,

Thank you for giving the Door County Tourism Zone Commission the opportunity to comment on AB 189. The Door County Tourism Zone Commission is the taxing authority for local municipal room tax for all nineteen (19) Door County Municipalities.

Room Tax collection involves the ability to accurately locate a property in the correct municipality, programming the listing correctly to collect lodging taxes and ensuring the room tax revenue is returned to the municipality it was collected in. This has been a challenge for Marketplace Providers because zip codes and geocodes frequently do not align with municipal boundaries, which can cause a Marketplace Provider to locate a property in the wrong municipality. Since the effective date of 2019 WI ACT 10, Marketplace Providers have not demonstrated their ability nor willingness to correctly collect, account for and remit the room tax as required by statute.

To demonstrate the necessity for strengthened legislation, below are some examples of the issues that the Tourism Zone, our hosts have experienced since the effective date of 2019 WI ACT 10. We know of similar issues around the State:

- At least 38 listings indicate room tax being allocated to the wrong municipality.
- At least 41 listings lack or have incorrect programming to collect local room tax.
- An entire municipality lacks room tax programming for any of their listings on one Marketplace Provider site.
- For the report month of June 2020 for one of our municipalities, a Marketplace Provider remitted room tax revenue to a municipality not located in Door County.
- A Marketplace Provider submitted revenue for one of our municipalities that has no permitted lodging operators; therefore, this revenue could not be for the indicated municipality.
- One Marketplace Provider, during the setup process, tried to include Appleton, Green Bay, De Pere and Neenah for Door County room tax collections.
- No payments were made by one Marketplace Provider for the report year 2020. Permit holders reported payments paid on their behalf by this Marketplace Provider.

We support AB189; the strengthened audit provision provides progress towards holding Marketplace Providers accountable. We look forward to continued legislative efforts to guarantee that Wisconsin municipalities are getting their fair share of room tax revenues and that Marketplace Providers are held accountable for ensuring the room tax collection process is completed accurately.

Thank you for the opportunity to provide comment on AB 189.

Sincerely,

Handwritten signature of Josh Van Lieshout in black ink.

Josh Van Lieshout
Chair, Door County Tourism Zone Commission
Administrator, City of Sturgeon Bay

Handwritten signature of Kim Roberts in black ink.

Kim Roberts
Administrator, Door County Tourism Zone
Commission

Enclosure: Documentation of Examples.

Letter from Town of Baileys Harbor to the Assembly Committee on Local Government.

Letters from Marketplace Provider hosts to the Assembly Committee on Local Government.



DOOR COUNTY TOURISM ZONE COMMISSION

PO Box 55, Sister Bay, WI 54234

920-854-6200 – Fax: 920-854-9019

E-mail: info@doorcountytourismzone.com

Website: www.doorcountytourismzone.com

Examples of each of the issues as outlined in the DCTZC AB 189 leave behind/testimony:

1. At least 38 listings indicate room tax being allocated to the wrong municipality.

Example - Local Municipal Room Tax Programming designated to the incorrect municipality

Permit number: 15-56-1793-00

Municipality: Town of Jacksonport

Permitted Property Name: Whispering Pines

Date of Screenshot: 12-30-2020

Online Listing: Airbnb 19706345

Problem: Airbnb indicates that Room tax is for Sturgeon Bay, but the property is located in **THE TOWN OF JACKSONPORT**. This room tax revenue would go to the incorrect municipality.

The screenshot shows an Airbnb listing for 'Whispering Pines' in Jacksonport, WI. The listing details include a permit number, municipality, property name, and listing ID. The price breakdown on the right side of the listing shows a total of \$233, which includes a room tax of \$184 for Sturgeon Bay. A callout box highlights this tax line item, stating that the tax is incorrectly allocated to Sturgeon Bay for a property located in the Town of Jacksonport.

Item	Amount
Room Tax (Sturgeon Bay) Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$184
Occupancy taxes and fees	\$26
Total	\$233

2. At least 41 listings lack or have incorrect programming to collect local room tax.
 a. Example - No Local Municipal Room Tax Programming applied to Online Listing

Permit Number: 02-56-1564-00

Municipality: Town of Baileys Harbor

Property Name: Door County Cabin in the Woods, Baileys Harbor

Date of Screenshot: 7/28/2020

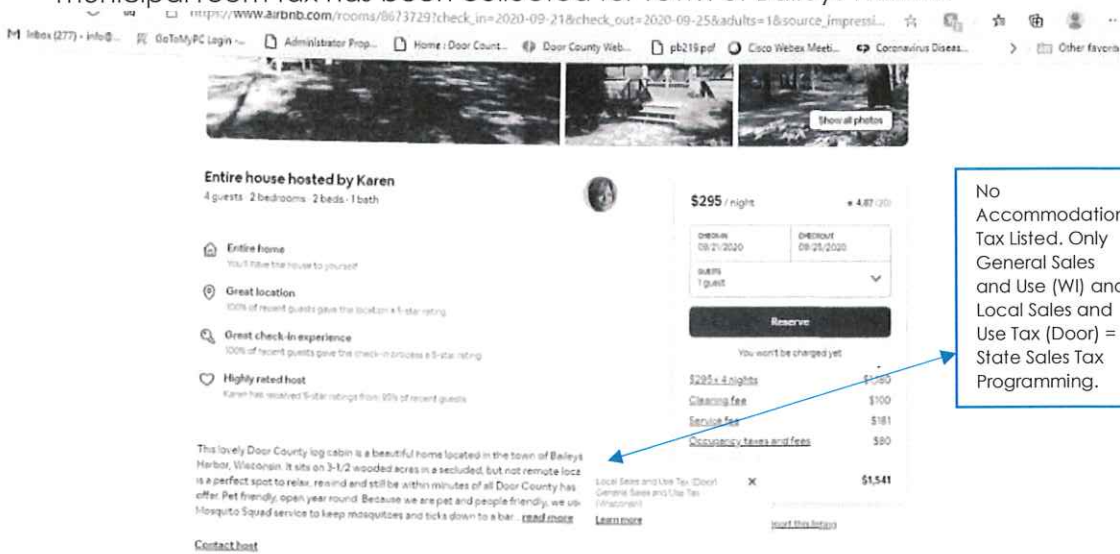
Listing ID: Airbnb 8673729

Problem: Note the Occupancy Tax Collection- no room tax programming

$\$1,180 + \$100 + \$181 =$ taxable lodging sale of $\$1,461$

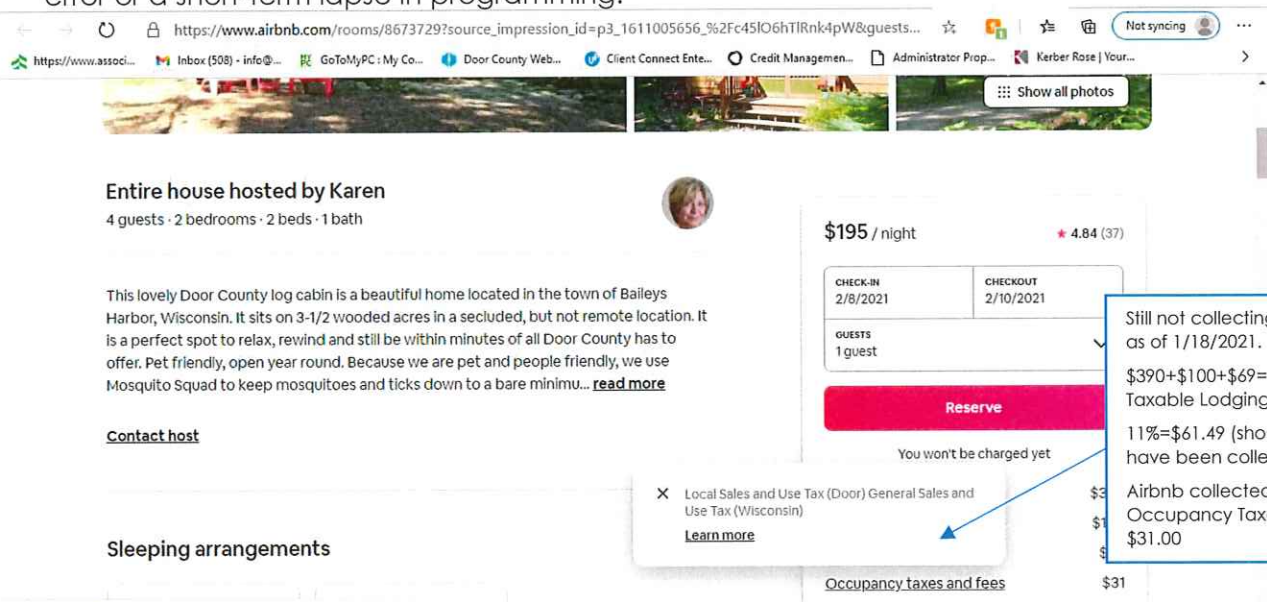
$\$1,461$ at 11% tax = $\$160.71$

Airbnb is only collecting $\$80$ in Occupancy Tax on this property/reservation. No local municipal room tax has been collected for Town of Baileys Harbor.



No room tax programming as of 7/28/2020

Example #15 continued: Same property, screenshot as of 1/18/2021. Additional screenshot to demonstrate that the lack of programming to collect local municipal room tax was not just an error or a short-term lapse in programming.



3. An entire municipality lacks room tax programming for any of their listings on one Marketplace Provider site.

a. Example #33- No Local Municipal Room Tax Programming applied to Online Listing.

Permit Number: 42-56-2357-00

Property Name: Jiffy's Corner

Municipality: **Town of Union**

Date of Screenshot: 1/22/2021

Listing ID: Airbnb 45708826

Problem: Note the Occupancy Tax Collection- incorrect room tax programming

Note the Occupancy Tax Collection:

$\$750 + \$150 + \$127 =$ taxable lodging sale of $\$1,027$

$\$1,027$ at 11% tax = $\$112.97$

Airbnb is only collecting \$56 in Occupancy Tax on this property/reservation, which is not the correct amount of tax at 11%. No local municipal room tax is indicated for the Town of Union.

Photos Amenities Reviews Location

See more about this cottage on Airbnb

- Enhanced Clean**
This host committed to Airbnb's 5-step enhanced cleaning process. [Learn more](#)
- Self check-in**
Check yourself in with the smartlock.
- Free cancellation for 48 hours**
After that, cancel before 3:00 PM on Feb 12 and get a 50% refund, minus the service fee. [Get details](#)
- House rules**
The host doesn't allow parties or smoking. [Get details](#)

This beautiful lake side cottage features stunning sunset views over Green Bay, enjoy easy, private water access, beautiful deck, and the stunning sunset view Bay. Inside, enjoy the bright, recently updated open floorplan, with views of th every room in the house, even the bathrooms! Upstairs the entire floor is a giant master suite that will wow you! During the day, you're just a sho... [read more](#)

Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$750
General Sales and Use Tax (Door)	\$150
State Sales Tax Programming	\$127
Occupancy taxes and fees	\$56

No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming.

The host/permit holder reached out to Airbnb in attempt to correct his listing. Instead of correcting the programming, Airbnb told the host to use "Custom Taxes". Airbnb did not explain to the host that by doing so he was now the responsible party for both WI State Sales and Use tax and local municipal room tax.

Dan Hobbs
to me

8:09 AM (16 minutes ago)

Thanks, Airbnb did have me make a custom tax.

4. For the report month of June 2020 for one of our municipalities, a Marketplace Provider remitted room tax revenue to a municipality not located in Door County.
- a. See attached letter to VRBO regarding Washington Island (at the end of this document)
5. A Marketplace Provider submitted revenue for one of or municipalities that has no permitted lodging operators; therefore, this revenue could not be for the indicated municipality.
- a. Allocation of room tax revenues to a municipality with no lodging. Below please see the VRBO report submitted for 1-1-2020 for the Village of Forestville. The Village of Forestville has no permitted lodging operators; therefore, this revenue cannot be for the Village of Forestville, but because we receive nothing to reconcile reporting we have no way of knowing which properties this revenue was generated from or which municipality should have received this revenue.



Door County Tourism Zone Commission Monthly Room Tax Report

Please Note:

- Your report and room tax remittance are due by the end of the month following the month.
- You may copy this form as needed or download an original form our website.
- For further information or to file online, visit www.doorcountytourismzone.com
- PLEASE DO NOT SEND CORRESPONDENCE WITH THIS REPORT**
Any and all communication should be directed to info@doorcountytourismzone.com

PAID
Check # 3006836 432.11
Date: 2/24/20

Lodging Establishment

Report Month and Year: January 2020

Permit Number: Forestville Village

Lodging Name: HomeAway.com Inc

Lodging Address: 11800 Domain Blvd #300
Austin, TX 78758

Owner Mailing Address: _____
 Check if new

Contact Information

Reported completed by: _____

e-Mail: _____

Phone: 4256797200

Signature: [Signature] Date: 02/20/2020
The signatory attests to the accuracy of all information in this report.

Check if this report is the last filing for the year.

INSTRUCTIONS
Please see the back of the form for detailed instructions

Mailing Address:
Door County Tourism Zone Commission
PO BOX 55
Sister Bay WI 54234

EMAIL: info@doorcountytourismzone.com
PHONE: 920-854-6200

To pay your room tax online, contact the Tourism Zone office.

Tax Calculation

1 Total Available Rental Units This Month:
(Number of Units Available x Days Open) 0

2 Number of Rented Unit Days This Month:
(Ex: Rm # 1 @ 20 days + Rm # 2 @ 15 days = 35) 0

3 Total Lodging Sales This Month: \$ 7,856.62
Gross Rent Receipts for Occupancy of Rooms (INCLUDE TAXABLE ITEMS and EXEMPT SALES)

4 Total Exemptions and Exempt Sales: \$ 0.00
(Claim tax exempt lodging sales in this field - Enter Non-Taxable Sales)
Exempt Entity's WI Certificate of Exempt Status Number: _____
(If additional rooms is needed, please attach a pro-forma to report additional CES #'s) / Or provide dates of 30+ days stay

5 Net Taxable Sales (Total Lodging Sales minus Total Exemptions and Exempt Sales): \$ 7,856.62

6 Total Tax at the Current 5.5% rate (Net Taxable Sales x 0.055) \$ 432.11

Late Filing Penalty and Interest

Late Filing Fee if Applicable: 0.00
Less than 30 days late = \$25
More than 30 days late = the greater of \$25 or 25% of tax due

8 Interest on Late Payment if Applicable \$ 0.00
(1% per month)

9 Total Late Filing Fees and Interest: \$ 0.00

10 Total Credits to be applied to tax owed \$ 0.00

Total Amount Due

11 Total Amount Due (Sum of Total Tax and Any Late Filing Penalty and Interest Due): 432.11

Delinquent Room Tax returns shall be subject to a minimum twenty-five dollar (25) late filing fee. The tax that becomes delinquent if not paid by the due date of the return. A forfeiture of twenty-five percent (25%) of the room tax due or five thousand dollars (\$5,000.00) whichever is less, of the tax imposed, is hereby established and due and owing in the event that the room tax is not paid within thirty (30) days after the due date of the return. In addition to this forfeiture, all unpaid taxes under this Agreement shall bear interest at the rate of one percent (1%) per month from the due date of the return until received and deposited by the Commission.

6. One Marketplace Provider, during the setup process, tried to include Appleton, Green Bay, De Pere and Neenah for Door County room tax collections.



Evolve Taxes
to me ▾

Thu, Apr 1, 12:06 PM (12 days ago) ☆ ↶ ⋮

Thank you so much for this information, Kim! I want to applaud the very thorough information on the website also, especially the details of owner return remittances. It is fantastic!

We will be sending out an email to all of our owners (27 identified) next week laying out all the details of the transition. If there is any information you would like to include in the email, please feel free to let me know. We do not have the ability to include attachments, but will provide the website links as reference.

According to the tax rates received back from our rate provider, our owners are located in the following locations:

WI-BAILEYS HARBOR
WI-EGG HARBOR
WI-EPHRAIM
WI-GIBRALTAR
WI-LIBERTY GROVE
WI-SISTER BAY
WI-STURGEON BAY
WI-DE PERE
WI-GREEN BAY
WI-APPLETON CITY
WI-NEENAH

I will work to get our application submitted back to you no later than Monday.

7. No payments were made by one Marketplace Provider for the report year 2020. Permit holders reported payments paid on their behalf by this Marketplace Provider.
- Booking.com made no payments to the Door County Tourism Zone Commission for the report year 2020.
 - Hosts reported payments made on their behalf in the amount of \$7,622.66

WASHINGTON ISLAND VRBO JUNE 2020 ROOM TAX REPORT SUBMISSION ISSUE

VRBO allocation of Town of Washington Room tax Revenue to another municipality outside of Door County:

Below please find the letter sent to VRBO regarding their June 2020 room tax submission for the Town of Washington. Names of properties have been redacted to be in compliance with the confidentiality section of 66.0615.



DOOR COUNTY TOURISM ZONE COMMISSION
 PO Box 55, Sister Bay, WI 54234
 920-854-6200, Fax: 920-854-9019
 E-mail: info@doorcountytourismzone.com
 Website: www.doorcountytourismzone.com

December 17, 2020

Dear Avalara and VRBO,

In early August 2020, the office of the Door County Tourism Zone reached out to Avalara, the registered agent for VRBO/Homeaway in Wisconsin regarding June 2020 room tax reporting for the Town of Washington. The Town of Washington is a member municipality of the Door County Tourism Zone; the Door County Tourism Zone Commission is the taxing authority for all 19 Door County Municipalities.

The concern regarding the Town of Washington June 2020 room tax report received is the remittance of \$0 lodging revenue report.

Door County Tourism Zone Commission Monthly Room Tax Report
 LOCAL MUNICIPAL ROOM TAX MONTHLY ROOM TAX REPORT
 PHONE: 920.854.6200 - EMAIL: INFO@DOORCOUNTYTOURISMZONE.COM

Send to Mail: send form and payment to PO BOX 55, Sister Bay WI 54234
Mail to payment: Door County, Attn: Room Tax, Sister Bay WI 54234
Online filing: Please contact the office to obtain username and password to file online.
 Note: Check for updates to the form and instructions.

PART I: Property and Owner/Manager Information

Name of Lodging Property: HomeAway.com Inc. Parcel Number: Washington Island
 Lodging Address: 11600 Durston Blvd #300 Acacia, TX 75718 Report Month: June
 Name of Lodging Property Contact: Phone Number: 409.429.7200 Email Address: Report Year: 2020

PART II: Monthly Room Tax Report

1. TOTAL NIGHTS AVAILABLE FOR THE REPORT MONTH:	1	0
2. TOTAL NIGHTS RENTED FOR REPORT MONTH:	2	0
3. GROSS ROOMING REVENUE: Report all lodging revenue from all revenue sources. (Don't forget and include franchise fees including possible fees, charges, and commissions, according to the report month. If you have sales through a lodging marketplace provider you will also need to complete row 3.)	3	0.00
4. TAX ABATEMENT DEDUCTIONS: (See instructions for details on lodging tax abatement. Enter total amount for the month. If you need additional sheets to enter deductions, please refer to the instructions.)	4	0.00
5. NET TAXABLE SALES: (See 3 minus row 4)	5	0.00
6. TAX DUE: (5% rate (See 5 x 0.05))	6	0.00

7. Payments Made on Your Behalf: If you report through a membership provider who collects tax on your behalf, include the amount in your 6000 marketplace provider. Failure to properly prepare 6000 returns will decrease the amount and may have been collected will be reduced.

7a. Other Lodging Marketplace Provider Sales Tax (Room Tax and COCURES) enter total gross given to all lodging marketplace providers for which room tax was collected	7a	0.00
7b. Airbnb	7b	0.00
7c. Other Marketplace	7c	0.00
7d. Expedia/Hotels.com	7d	0.00
7e. Booking.com	7e	0.00
7f. Other Marketplace Provider - Name	7f	0.00
7g. Other Payments Made on your behalf (sum of rows 7a-f)	7g	0.00
7. NET TAX DUE (See 6 less 7g)	7	0.00

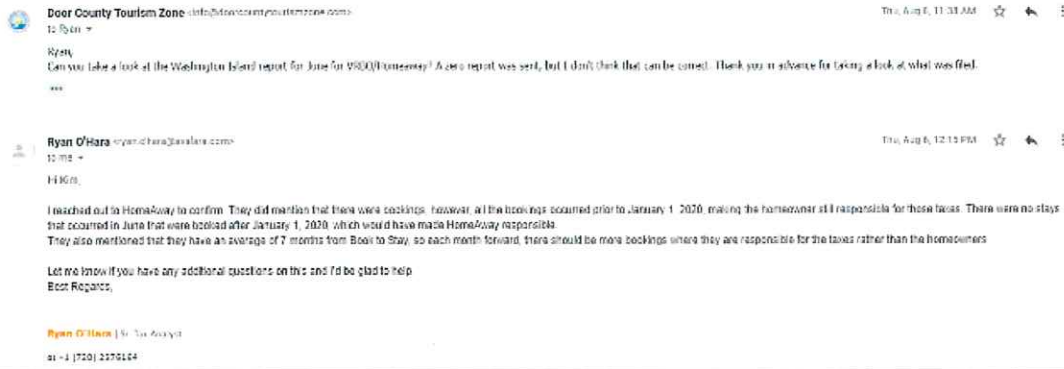
8. Late Filing Penalty: Less than 30 days late = \$25 / More than 30 days	8	0.00
9. Late Payment Interest: 1% per month	9	0.00
10. Total Credits to be applied to tax owed	10	0.00
11. TOTAL AMOUNT DUE (sum of rows 7-10)	11	0.00

Signature: _____ Date: 07/16/2020

Failure to fully complete all fields will result in the room tax delinquency and late fees and interest will be assessed.
 Please send all communication via email.

A \$0 report for the month of June, which is considered "season" for tourism in the busy tourist destination of Door County, WI raised some concerns. An email was sent to the VRBO/Homeaway contact at ... on August 6, 2020. Mr. O'Hara of Avalara reported that there were no reservations for the Town of Washington that were made after the effective date of 2019 WI ACT 10 therefore there was no revenue or room tax to remit for the month of June 2020 for the Town of Washington.

Please see the email below from August 6, 2020:



For clarification, an inquiry was sent to Homeaway regarding the reporting cycle. Mr. Alekovski's response is below:



With information in hand, we reached out to our permit holders to verify from their payment details that their reservations for June 2020:

- Were made prior to the effective date of 2019 WI ACT 10,
- Did not have 11% collected on lodging tax (5.5% WI State Sales and Use Tax and 5.5% local municipal room tax).

The Door County Tourism Zone requires all permit holders to report the amounts paid on their behalf for each report month. Each of our permit holders provided their payment details from their June 2020 reservations directly from the VRBO site. All the payment details reflect that 11% was collected (5.5% local room tax and 5.5% WI State Sales and Use Tax). Had there been reservations in which room tax was not due, the reservations would have only reflected 5.5%; there were none.

Washington Island Property #1- #VRBO 1392021 – Spring Beach Cottage

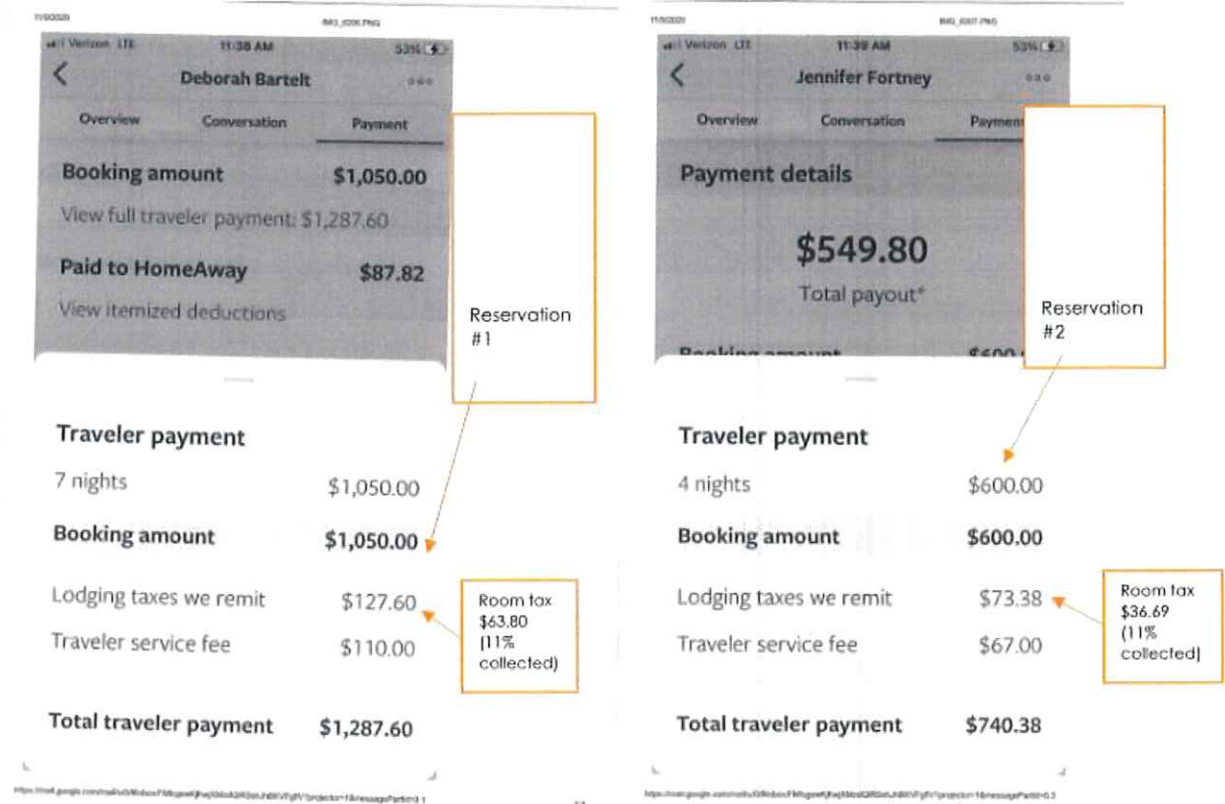
Reservation #1:

- Booking Amount: \$1,050
- Traveler Service Fee: \$110.00
 - Taxable Lodging Sales: \$1,160.00
 - Lodging Taxes "We Remit": \$127.60 (11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$63.80

Reservation #2:

- Booking Amount: \$600.00
- Traveler Service Fee: \$67.00
 - Taxable Lodging Sales: \$667.00
 - Lodging Taxes "We Remit": \$73.38 (11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$36.69
- **Total that should have been remitted for this property ID#: \$100.49**

Please see the screen shots of the payment details provided by the property owner/host:



Washington Island Property #2- |

Reservation #1:

- Booking Amount: \$9,025.00
- Traveler Service Fee: \$499.00
 - Taxable Lodging Sales: \$9,524.00
 - Lodging Taxes "We Remit": \$1,047.66(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$523.82
- **Total that should have been remitted for this property ID#: \$523.82**

Please see the screen shots of the payment details provided by the property owner/host:



Completed
Res ID: HA-N50T5W

Booking details

📅 Check in → Check out
Sun, Jun 7 → Sun, Jun 14

🌙 7 nights

👤 4 adults · 4 kids



Dennis Viehweg

Phone number: +1 (224)
425-9214

Email:



🔒 \$8,271.58 Total payout

Payment details

7 nights	\$8,750.00
Cleaning Fee	\$250.00
Linen Fee	\$25.00
Booking amount	\$9,025.00
Property damage protection	\$99.00
Lodging taxes we remit	\$1,047.66
Traveler service fee	\$499.00
Total traveler payment	\$10,670.66

Commission is calculated based on your rates and fees.

Room tax
\$523.83
(11%
collected)

Washington Island Property #3- ID

Reservation #1:

- Booking Amount: \$555.00
- Traveler Service Fee: \$62.00
 - Taxable Lodging Sales: \$617.00
 - Lodging Taxes "We Remit": \$67.88(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$33.94

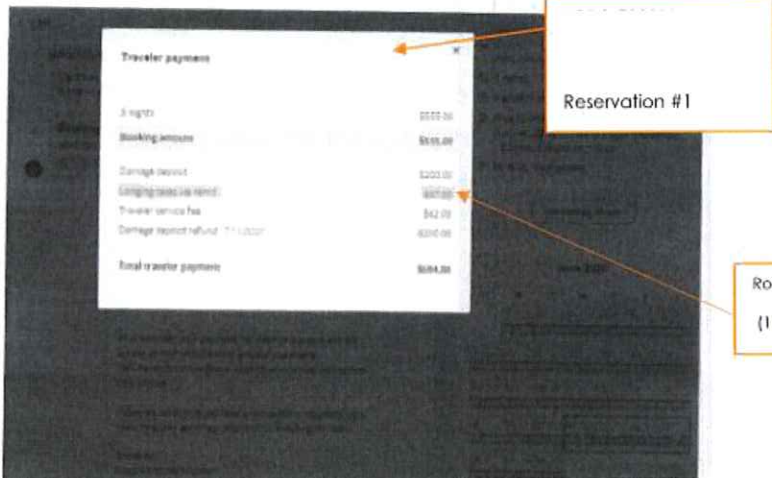
Reservation #2:

- Booking Amount: \$740.00
- Traveler Service Fee: \$81.00
 - Taxable Lodging Sales: \$821.00
 - Lodging Taxes "We Remit": \$90.32(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$45.16
- **Total that should have been remitted for this property ID#: \$79.10**

Booking for 6/24-6/27

- Traveler booked on 4/5/2020, so after the 1/1/2020 date which VRBO should be collecting and remitting tax.
- VRBO states they did remit taxes equal to 11% of the Booking Amount + Traveler Service fee.
 - $\$555 + \$62 = \$617$
 - $\$617 * 11\% = \67.87

Based on the above bullets (highlighted in the below screenshots) I assumed VRBO had remitted the require taxes.



Traveler payments	
3 nights	\$555.00
Booking amount	\$555.00
Damage deposit	\$200.00
Lodging taxes (collected)	\$67.88
Traveler service fee	\$62.00
Damage report refund (1/1/2020)	\$604.00
Total traveler payments	\$804.00

Reservation #1

Room tax \$33.94
{11% collected}

Booking for 6/27-7/1

- Traveler booked on 2/5/2020, so after the 1/1/2020 date which VRBO should be collecting and remitting tax.
- VRBO states they did remit taxes equal to 11% of the Booking Amount + Traveler Service fee.
 - $\$740 + \$81 = \$821$
 - $\$821 * 11\% = \90.31

Based on the above bullets (highlighted in the below screenshots) I assumed VRBO had require taxes.

Traveler payment	
A nights	\$740.00
Booking amount	\$821.00
Damage deposit	\$200.00
Lodging taxes (we remit)	\$90.31
Traveler service fee	\$81.00
Damage deposit refund	-\$200.00
Total traveler payment	\$811.31

Washington Island Property #3- :

Reservation #1:

- Booking Amount: \$505.00
- Traveler Service Fee: \$57.00
 - Taxable Lodging Sales: \$562.00
 - Lodging Taxes "We Remit": \$61.84(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$30.92
- **Total that should have been remitted for this property ID#: \$30.92**



Completed
Res ID: HA-741FRT

Booking details

📅 Check in → Check out
Fri, Jun 12 → Sun, Jun 14

🌙 2 nights
👤 2 adults - 2 kids
🏠

💰 \$488.00 Total payout

Nathan Eisenberg

Phone number:

██████████

Email: ██████████



Reservation #1

< June 2020 >

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Booked Blocked Conflict

Payment details

2 nights

\$430.00

Reservation #1

Cleaning Fee	\$75.00
Booking amount	\$505.00
<hr/>	
Damage deposit	\$150.00
Lodging taxes we remit	\$61.84
Traveler service fee	\$57.00
Damage deposit refund 6/28/2020	-\$150.00
Total traveler payment	\$623.84
<hr/>	
Payment processing fees	\$17.00
Total deductions	\$17.00
<hr/>	
Total payout*	\$488.00

Room tax
\$30.92
11%
collected

* Your payout is the booking amount minus deductions. It excludes refundable damage deposit, property damage protection, taxes, and service fees.

Payment schedule

Payment 1 of 1 \$773.84
Payment includes taxes, deposits, and fees
Partially refunded on 6/28/2020
Your payout was disbursed on 6/14/2020.

 Includes \$1M Liability Insurance.

Damage protection

Washington Island Property #4-1

Reservation #1:

- Booking Amount: \$960.00
- Traveler Service Fee: \$112.00
 - Taxable Lodging Sales: \$1,072.00
 - Lodging Taxes "We Remit": \$117.92(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$58.96
- **Total that should have been remitted for this property ID#: \$58.96**

Traveler payment	
4 nights	\$900.00
Cleaning Fee	\$60.00
Booking amount	\$960.00
Damage deposit	\$200.00
Lodging taxes we remit	\$117.92
Traveler service fee	\$112.00
Damage deposit refund 7/6/2020	-\$200.00
Total traveler payment	\$1,589.92

Reservation #1

Room tax
\$58.96
(11%
collected)

Washington Island Property #5-

Reservation #1:

- Booking Amount: \$645.00
- Traveler Service Fee: \$72.00
 - Taxable Lodging Sales: \$717.00
 - Lodging Taxes "We Remit": \$78.88(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$39.44
- **Total that should have been remitted for this property ID#: \$39.44**



Reservation #1

Room tax
\$39.44
(11%
collected)

Washington Island Property #6-

Reservation #1:

- Booking Amount: \$825.00
- Traveler Service Fee: \$89.00
 - Taxable Lodging Sales: \$914.00
 - Lodging Taxes "We Remit": \$100.56(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$50.28

Reservation #2:

- Booking Amount: \$1,375.00
- Traveler Service Fee: \$149.00
 - Taxable Lodging Sales: \$1,524.00
 - Lodging Taxes "We Remit": \$167.66(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$83.83

Reservation #3:

- Booking Amount: \$1,100.00
- Traveler Service Fee: \$113.00
 - Taxable Lodging Sales: \$1,213.00
 - Lodging Taxes "We Remit": \$133.44(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$66.72
- **Total that should have been remitted for this property ID#: \$200.83**

Traveler payment	
3 nights	\$825.00
Booking amount	\$825.00
Damage deposit	\$3,000.00
Lodging taxes we remit	\$100.56
Traveler service fee	\$89.00
Damage deposit refund	-\$3,000.00
Total traveler payment	\$1,014.56

\$197.24
Total payout*

Reservation #1

Traveler payment	
5 nights	\$1,375.00
Booking amount	\$1,375.00
Property damage protection	\$79.00
Lodging taxes we remit	\$167.66
Traveler service fee	\$149.00
Total traveler payment	\$1,770.66

\$1,328.73
Total payout*

Reservation #2

Traveler payment	
4 nights	\$1,100.00
Booking amount	\$1,100.00
Property damage protection	\$79.00
Lodging taxes we remit	\$133.44
Traveler service fee	\$113.00
Total traveler payment	\$1,425.44

\$1,063.00
Total payout*

Reservation #3

Reservation #3

Room tax
\$66.72
(11% collected)

Washington Island Property #7-

Reservation #1:

- Booking Amount: \$916.00
- Traveler Service Fee: \$98.00
 - Taxable Lodging Sales: \$1,014.00
 - Lodging Taxes "We Remit": \$111.54(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$55.77

Reservation #2:

- Booking Amount: \$687.00
- Traveler Service Fee: \$83.00
 - Taxable Lodging Sales: \$770.00
 - Lodging Taxes "We Remit": \$84.72(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$42.36

Reservation #3:

- Booking Amount: \$916.00
- Traveler Service Fee: \$98.00
 - Taxable Lodging Sales: \$1,014.00
 - Lodging Taxes "We Remit": \$111.54(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$55.77

Reservation #4:

- Booking Amount: \$690.00
- Traveler Service Fee: \$83.00
 - Taxable Lodging Sales: \$773.00
 - Lodging Taxes "We Remit": \$85.04(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$45.52

- **Total that should have been remitted for this property ID#: \$199.42**

Traveler payment	
4 nights	\$916.00
Booking amount	\$916.00
Property damage protection	\$79.00
Lodging taxes we remit	\$111.54
Traveler service fee	\$98.00
Total traveler payment	\$1,204.54
\$885.18 Total payout*	
Booking amount: View full & make payment: \$1,204.54	

Reservation #1

Room tax \$55.77
(11% collected)

Traveler payment		X
3 nights		\$687.00
Booking amount		\$687.00
Property damage protection		\$79.00
Lodging taxes we remit		\$84.72
Traveler service fee		\$83.00
Total traveler payment		\$933.72

Reservation #2

Room tax \$42.36
(11% collected)

Details

\$663.86
Total payout*

Traveler payment		X
4 nights		\$916.00
Booking amount		\$916.00
Property damage protection		\$79.00
Lodging taxes we remit		\$111.54
Traveler service fee		\$98.00
Total traveler payment		\$1,204.54

Reservation #3

Room tax \$55.77
(11% collected)

\$885.18
Total payout*

Traveler payment		X
3 nights		\$690.00
Booking amount		\$690.00
Property damage protection		\$79.00
Lodging taxes we remit		\$85.04
Traveler service fee		\$83.00
Total traveler payment		\$927.04

Reservation #4

Room tax \$42.52
(11% collected)

Show all messages

Washington Island Property #7-

Reservation #1:

- Booking Amount: \$570.00
- Traveler Service Fee: \$64.00
 - Taxable Lodging Sales: \$634.00
 - Lodging Taxes "We Remit": \$67.94(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$34.87

Reservation #2:

- Booking Amount: \$1,040.00
- Traveler Service Fee: \$109.00
 - Taxable Lodging Sales: \$1,149.00
 - Lodging Taxes "We Remit": \$126.40(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$63.20

Reservation #3:

- Booking Amount: \$570.00
- Traveler Service Fee: \$64.00
 - Taxable Lodging Sales: \$634.00
 - Lodging Taxes "We Remit": \$69.74(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$34.87

Reservation #4:

- Booking Amount: \$570.00
- Traveler Service Fee: \$64.00
 - Taxable Lodging Sales: \$634.00
 - Lodging Taxes "We Remit": \$69.74(11% collected)
 - Room tax portion of Lodging Taxes "We Remit": \$34.87
- **Total that should have been remitted for this property ID#: \$167.81**

8/22/2020

Conversation

Reservation #1

Traveler payment

2 nights

\$470.00

Cleaning Fee

\$100.00

Booking amount

~~\$570.00~~

Damage deposit

\$300.00

Lodging taxes we remit

Room tax \$34.87
[11% collected]

~~\$69.74~~

1 owner reviewed

Traveler service fee

~~\$64.00~~

Damage deposit refund 6/6/2020

~~-\$300.00~~

Post Stay [Edit](#)

Total traveler payment
Fri, 5 Jun - Sun, 7 Jun · 2 nights

\$703.74

2 adults · 1 kid

HA-VTL050 · 362233

Total: \$1,003.74

Includes \$1M Liability Insurance.

*Total amt → 634.00
x 11%
tax 69.74*



[Select template](#)

8/22/2020

Conversation



Reservation #2

Traveler payment



4 nights		\$940.00
Cleaning Fee	Recommended by partners	\$100.00
Booking amount		\$1,040.00
Damage deposit		\$300.00
Lodging taxes we remit	1 property review	\$126.40
Traveler service fee	2 owners reviewed	\$109.00
Damage deposit refund 6/17/2020		-\$300.00

Room tax \$63.20
[11% collected]

Post Stay [Edit](#)

Total traveler payment \$1,275.40
 Sat, 13 Jun - Wed, 17 Jun - 4 nights
 2 adults - 2 kids
 HA-48GYLY · 362233

Total: \$1,575.40
 Includes \$1M Liability Insurance.

Total amt: 1149.00
X 11.0%

tax 126.40



Select template



8/22/2020

Conversation

Reservation #3

Traveler payment

2 nights		\$470.00
Cleaning Fee	Recommended by partners	\$100.00
Booking amount	Booked 3 trips on Expedia and last traveled Feb 2020	\$570.00
Damage deposit		\$300.00
Lodging taxes we remit	Room tax \$34.87 [11% collected]	\$69.74
Traveler service fee	1 owner reviewed	\$64.00
Damage deposit refund 6/19/2020		-\$300.00

Post Stay [Edit](#)

Total traveler payment **\$703.74**
 Wed, 17 Jun - Fri, 19 Jun · 2 nights
 2 adults · 0 kids
 HA-GHRRBG · 362233

Total: \$1,003.74
 Includes \$1M Liability Insurance.

*Total amt: 634.00
 X 11.90
 tax 69.74*



[Select template](#)

To: Page 18 of 19

2020-08-25 09:53:48 PDT

1920847223

Nicolet

8/22/2020

Conversation

Reply

Reservation #4

Messages

You

Thank you for treating our home like your own. I have refunded your damage deposit.
We hope to see you again!

Mon 6/22/2020 7:54 AM CDT

Show all messages

Reservation Details

Quote

2 nights

Cleaning Fee

Service Fee - [Learn More](#)

Stay tax

Subtotal

Refundable damage deposit

Total payment

Taxes and Fees ^

Commission and Fees

Handwritten calculations:

634.00
X 11.90

7548.60

6974

Room tax \$34.87 [11% collected]

\$470.00

\$100.00

\$64.00

\$69.74

\$703.74

\$300.00

\$1,003.74

(\$190.43)

(\$56.69)

To: Page 19 of 19

2020-06-25 09:53:48 PDT

19208

Fax Nicolet

8/22/2020

Conversation

Reservation #4

11/17

3 property reviews
3 owners reviewed

Post Stay [Edit](#)

Fri, 19 Jun - Sun, 21 Jun · 2 nights

4 adults · 0 kids

HA-P6RT30 · 362233

Total: \$1,003.74

Includes \$1M Liability insurance.

Reply to



Select template



This documentation shall serve as substantiation that there is probable cause to believe that the room tax reporting submitted is not correct but may not be all that should have been reported by VRBO for June 2020 for the Town of Washington Island.

With the documentation that has been provided herein, we request that an amended return for the month of June 2020 be submitted. Undoubtedly with the documentation provided it is evident that VRBO has collected 11% tax for the Town of Washington reservations for the month of June 2020 and has failed to remit the room tax that has been collected.

Please take this opportunity to correct the error so no further action needs to be taken on behalf of the Door County Tourism Zone Commission and its member municipality, the Town of Washington. Because the room tax is a fiduciary tax, the State legislature has provided a number of quite significant sanctions for failure to comply with the room tax law. Not only can the Commission levy a fine of up to \$200 per day for each day of non-compliance, but the law also allows the Commission, through its representatives, to audit records to determine compliance. In addition to collecting any back tax due, the Commission can also collect late fees, interest and additional statutory penalties. The Commission can also estimate the tax due and levy interest, penalties, and late fees on the estimated tax liability.

Sincerely,

A handwritten signature in black ink that reads "Josh Van Lieshout". The signature is written in a cursive, flowing style.

Josh Van Lieshout, Chair- Door County Tourism Zone

A response was received from Expedia Indirect Tax/VRBO on 1-4-2021:



Nick Aleksovski

to Christy, HA_Indirect_Tax, Ryan, Josh, me ▾

11:04 AM (12 minutes ago) ☆ ↶ ⋮

Hi Kim,

Thanks for reaching out on this. We have double checked and have identified the issue – when filing our June returns, we had a tax code location meant for Washington Island incorrectly mapping tax amounts to Washington (within Vilas County.) We will be sending an amended June filing, and will be making sure that this was the only filing month impacted.

Thanks again for your help!

Nick

Nick Aleksovski

Senior Tax Analyst, Vrbo

T: +1 512 983 0516

E: naleksovski@homeaway.com

vrbo.com

The response highlights the fact that Marketplace Providers indeed struggle to map listings to the correct municipalities for room tax remittance. All of the June 2020 room tax revenue that was supposed to go to the Town of Washington (Door County) went to Washington (Vilas County). This is only one instance; how many more municipalities are not receiving the correct revenues from Marketplace Providers?



TOWN OF BAILEYS HARBOR

2392 County Road F • P.O. Box 308

Baileys Harbor, WI 54202

Phone (920) 839-9509 • Fax (920) 839-9425

Town Clerk Email: admin@baileysharborwi.org

Deputy Clerk Email: deputyclerk@baileysharborwi.org

Dear Assembly Committee on Local Government,

Thank you for your time and effort to hear Assembly Bill 189. On behalf of the Town of Baileys Harbor, a member municipality of the Door County Tourism Zone Commission "DCTZC", I am writing to share the impact 2019 WI ACT 10 has had on the Town of Baileys Harbor. I will also address AB 189, which seeks correcting legislation for §66.0615 and §66.0614 which were changed by 2019 WI ACT 10.

2019 WI ACT 10 was created to streamline the tax collection process and ensure that Short Term Rentals were collecting lodging taxes. It created unintended problems and challenges for Wisconsin municipalities that still need to be fixed. The implementation of the legislation illustrates that Marketplace Providers have failed to create a strong foundation based on accurate property municipal location and accurate room tax programming to complete the room tax collection process.

After January 1, 2020, the effective date of 2019 WI ACT 10, we noted that some Marketplace Providers were not in compliance with the newly passed legislation. Under 2019 WI ACT 10, Marketplace Providers are required to collect WI State Sales and Use Tax (5.5%) and Local Municipal Room Tax (5.5%) and, if applicable, Premier Resort Tax. Marketplace Providers, such as Airbnb and VRBO, are also required under state law to return room tax revenue to the municipality in which it was collected. Over the course of the last year, we have documented instances of listings without the correct tax programming to collect local municipal room tax.

Inconsistent programming of taxes for online Marketplace listings to collect local municipal room tax have created challenges for both hosts and municipalities. Many hosts have assumed that taxes were collected only to find out that their business partner (Marketplace Provider) failed to collect and remit the tax as required by law.

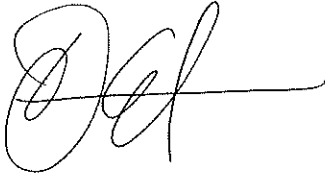
Room Tax collection is complex. It involves the ability to correctly locate a property in the correct municipality, programming the listing correctly to collect taxes and ensuring the revenue is returned to the municipality it was collected in. Location of properties is challenging because zip codes and geocodes frequently do not align with municipal boundaries. In the first year since 2019 WI ACT was enacted, Marketplace providers have not demonstrated their ability nor willingness to correctly collect, account for and remit the lodging taxes as required by statute.

Attached are several examples of listings in the Town of Baileys Harbor that are not in compliance 2019 WI ACT 10. There are more examples that could be provided. The tax collection and enforcement records of Tourism Zone Commission are largely public.

We believe that AB 189 is a good way to move us forward. We believe that the legislation addresses the issues municipalities, like the Town of Baileys Harbor, have experienced and implements penalties for failure to ensure these companies are collecting and remitting taxes correctly.

We respectfully ask that the State of Wisconsin use AB 189 to start holding these companies accountable. Room tax revenue is essential to our municipal budget. It allows us to continue to invest in our community and provide the necessary services for our residents.

Sincerely,

A handwritten signature in black ink, appearing to read 'DE', with a long horizontal flourish extending to the right.

David Eliot
Chairman, Town of Baileys Harbor

Enclosure: Examples of online listings not in compliance with 2019 WI ACT 10.

Example #1- No Local Municipal Room Tax Programming applied to Online Listing

Permit Number: 02-56-1564-00

Municipality: Town of Baileys Harbor

Property Name: Door County Cabin in the Woods, Baileys Harbor

Date of Screenshot: 1/18/2021

Listing ID: Airbnb 8673729

Note the Occupancy Tax Collection- no room tax programming

$\$390 + \$100 + \$69 =$ taxable lodging sale of $\$559$

$\$559$ at 11% tax = $\$61.49$

Problem: Airbnb is only collecting \$31 in Occupancy Tax on this property/reservation, at the 11% tax rate Airbnb should be collecting \$61.49. No local municipal room tax is collected for the Town of Baileys Harbor.

Entire house hosted by Karen
4 guests · 2 bedrooms · 2 beds · 1 bath

This lovely Door County log cabin is a beautiful home located in the town of Baileys Harbor, Wisconsin. It sits on 3-1/2 wooded acres in a secluded, but not remote location. It is a perfect spot to relax, unwind and still be within minutes of all Door County has to offer. Pet friendly, open year round. Because we are pet and people friendly, we use Mosquito Squad to keep mosquitoes and ticks down to a bare minimum... [read more](#)

[Contact host](#)

Sleeping arrangements

Waiting for ss.mustthird.com...

\$195 / night

CHECK-IN: 2/8/2021
GUESTS: 1 guest

No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming.

Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$390
	\$100
	\$69
Occupancy taxes and fees	\$31

Example #2- No Local Municipal Room Tax Programming applied to Online Listing

Permit Number: 02-56-1734-00

Municipality: Town of Baileys Harbor

Property Name: Door County Retreat on the "Quiet Side"

Date of Screenshot: 6/8/2020

Listing ID: Airbnb 17656602

Note the Occupancy Tax Collection- no room tax programming

$\$144 + \$24 =$ taxable lodging sale of $\$168$

$\$168$ at 11% tax = $\$18.48$

Problem: Airbnb is only collecting \$9 in Occupancy Tax on this property/reservation, at the 11% tax rate Airbnb should be collecting \$18.48. No local municipal room tax is collected for the Town of Baileys Harbor.

refund of the cleaning fee
Refundable · \$197 total

\$72 x 2 nights \$144
 Service fee \$24
 Occupancy taxes and fees \$9

\$177

General Sales and Use Tax (Wisconsin) Local Sales and Use Tax (Door)

No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming.

continued: Same property, screenshot as of 1/18/2021. Additional screenshot to demonstrate that the lack of programming to collect local municipal room tax was not just an error or a short-term lapse in programming.

Reserve

You won't be charged yet

\$72 x 3 nights \$216
 Service fee \$30
 Occupancy taxes and fees \$14

Total \$260

Still not collecting 11% as of 1/18/2021. \$216 + \$30 = \$246 Taxable Lodging Sale 11% = \$27.06 (should have been collected) Airbnb collected on Occupancy Taxes: \$14.00

Example #3- No Local Municipal Room Tax Programming applied to Online Listing.

Permit Number: 02-56-2235-07

Property Name: Muirfield Flats

Municipality: Town of Baileys Harbor

Date of Screenshot: 1/27/2021

Listing ID: Airbnb 41374756

Note the Occupancy Tax Collection- incorrect room tax programming

$\$255 + \$125 + \$54 =$ taxable lodging sale of $\$434$

$\$434$ at 11% tax = $\$47.74$

Problem: Airbnb is only collecting \$24 in Occupancy Tax on this property/reservation, at the 11% tax rate Airbnb should be collecting \$47.74. No local municipal room tax is collected for the Town of Baileys Harbor.

3:08:25 PM 1/27/2021

https://www.airbnb.com/rooms/41374756?source_impression_id=p3_1611781627_efw79ZCuD3YxZMKR&guests=1

Photos Amenities Reviews Location

Entire home
You'll have the apartment to yourself.

Enhanced Clean
This host committed to Airbnb's 5-step enhanced cleaning process. [Learn more](#)

Scott And Wendy is a Superhost
Superhosts are experienced, highly rated hosts who are committed to providing great stays for guests.

Cancellation policy
Non-refundable: Cancel before check-in and get back only the cleaning fee, if you paid one. [Get details](#)

House rules
The host doesn't allow pets, parties, or smoking. [Get details](#)

Stunning Studio just steps from the Birkklunden Trail System in Baileys Harbor

\$106 \$85 / night ★ 4.95 (22)

CHECK-IN: 2/2/2021 CHECKOUT: 2/5/2021
GUESTS: 1 guest

Reserve

You won't be charged yet

Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$255
	\$125
	\$54
Occupancy taxes and fees	\$24

No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming.

Example #4- No Local Municipal Room Tax Programming applied to Online Listing.

Permit Number: 02-56-2403-21

Property Name: Moonlight Cabin - 2648 Linda Lane

Municipality: Town of Baileys Harbor

Date of Screenshot: 3/9/2021

Listing ID: Airbnb 48463231

Note the Occupancy Tax Collection- incorrect room tax programming:

$\$800 + \$150 + \$134 =$ taxable lodging sale of $\$1,084$

$\$1,084$ at 11% tax = $\$119.24$

Problem: Airbnb is only collecting \$60 in Occupancy Tax on this property/reservation, at the 11% tax rate Airbnb should be collecting \$119.24. No local municipal room tax is collected for the Town of Baileys Harbor.

The screenshot shows the Airbnb listing page for 'Moonlight Cabin'. The reservation summary indicates a price of \$200 per night for 1 guest, with a check-in date of 4/5/2021 and a check-out date of 4/9/2021. The total price shown is \$1,000. A tax breakdown is visible, showing a total of \$1,084, with a deduction of \$200 for 'Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)', leaving a total of \$884. The 'Occupancy taxes and fees' are listed as \$60. A red box highlights the tax breakdown, and a callout box explains that no local accommodations tax is listed.

Item	Amount
Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	-\$200
	\$150
	\$134
Occupancy taxes and fees	\$60

No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming.

Example #5- No Local Municipal Room Tax Programming applied to Online Listing

Permit Number: 02-56-1826-00

Municipality: Town of Baileys Harbor

Property: Baileys Harbor Yellow House

Date of Screenshot: 11/25/2020

Listing ID: Airbnb 22186390

Note the Occupancy Tax Collection- no room tax programming

$\$240 + \$75 + \$44 =$ taxable lodging sale of $\$359$

$\$359$ at 11% tax = $\$39.49$

Problem: Airbnb is only collecting \$20 in Occupancy Tax on this property/reservation, at the 11% tax rate Airbnb should be collecting \$39.49. No local municipal room tax is collected for the Town of Baileys Harbor.

Photos Amenities Reviews Location

2 nights in Baileys Harbor
Dec 1, 2020 - Dec 3, 2020

November 2020 December 2020

Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14
15	16	17	18	19	20	21	15	16	17	18	19	20	21
22	23	24	25	26	27	28	22	23	24	25	26	27	28
29	30						29	30	31				

Reserve

You won't be charged yet

\$120 x 2 nights	\$240
Cleaning fee	\$75
Service fee	\$44
Occupancy taxes and fees	\$20
Total	

Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin) **X**

Learn more

This is a rare find. Matt usually booked.

Clear dates Report this listing

No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming.

Example #5 continued: Same property, screenshot as of 1/18/2021. Additional screenshot to demonstrate that the lack of programming to collect local municipal room tax was not just an error or a short-term lapse in programming.

Entire house hosted by Matthew
6 guests · 3 bedrooms · 3 beds · 1 bath

Entire home
Enhanced Clean
Self check-in
Free cancellation until 3:00 PM on Feb 2
House rules

\$170 / night 4.96 (143)

CHECK-IN: 2/7/2021 CHECKOUT: 2/9/2021
GUESTS: 1 guest

Reserve

You won't be charged yet

Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$340
	\$75
	\$59
Occupancy taxes and fees	\$26

Still not collecting 11% as of 1/18/2021.
 $\$340 + \$75 + \$59 = \474
Taxable Lodging Sale
 $11\% = \$52.14$ (Should have been collected)
Airbnb collected on Occupancy Taxes: $\$26.00$

Example #6- No Local Municipal Room Tax Programming applied to Online Listing.

Permit Number: 02-52-0393-00

Property Name: Cedar Beach Inn

Municipality: Town of Baileys Harbor

Date of Screenshot: 1/13/2021

Listing ID: Airbnb 25349436

Note the Occupancy Tax Collection- no room tax programming:

$\$3,459 + 100 + 576 =$ taxable lodging sale of $\$4,135$

$\$4,135$ at 11% tax = $\$454.85$

Problem: Airbnb is only collecting \$225 in Occupancy Tax on this property/reservation, at the 11% tax rate Airbnb should be collecting \$454.85. No local municipal room tax is collected for the Town of Baileys Harbor.

The screenshot shows an Airbnb listing for "4 nights in Baileys Harbor" from Jan 18, 2021, to Jan 22, 2021. The price is \$865/night for 1 guest. A red box highlights a note: "No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming." A tooltip points to the "Reserve" button with the text: "Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin) Learn more". The tax breakdown table is as follows:

Category	Amount
Room rate (4 nights x \$865)	\$3,459
Local Sales and Use Tax (Door)	\$100
General Sales and Use Tax (Wisconsin)	\$576
Occupancy taxes and fees	\$225
Total	\$4,360

Example #7- No Local Municipal Room Tax Programming applied to Online Listing

Permit Number: 02-52-2094-00

Municipality: Town of Baileys Harbor

Property name: The Globe Hotel

Date of Screenshot: 11/30/2020

Listing ID: Airbnb 37559669

Note the Occupancy Tax Collection- no room tax programming:

$\$800 + 60 + \$121 =$ taxable lodging sale of $\$981$

$\$981$ at 11% tax = $\$107.91$

Problem: Airbnb is only collecting \$54 in Occupancy Tax on this property/reservation, at the 11% tax rate Airbnb should be collecting \$107.91. No local municipal room tax is collected for the Town of Baileys Harbor.

Photos Amenities Reviews Location

4.86 (21 reviews)

Reserve

You won't be charged yet

\$200 x 4 nights	\$800
Cleaning fee	\$60
Service fee	\$121
Occupancy taxes and fees	\$54
Total	\$1,035

Clear dates Report this listing

No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming.

Example #7 continued: Same property, screenshot as of 1/20/2021. Additional screenshot to demonstrate that the lack of programming to collect local municipal room tax was not just an error or a short-term lapse in programming.

Photos Amenities Reviews Location

Free cancellation for 48 hours

House rules

The Globe Hotel was founded by our exponentially great grandparents in 1874. So many years later we are returning to our roots and inviting you to stay in our historic home with a private shoreline on Lake Michigan in the middle of Baileys Harbor. The house is on the National Register of Historic Places. The private south "wing" is just for you. The spacious kitchen and a front living room with a full sofa sle... [read more](#)

Contact host

\$200 / night 4.86 (21 reviews)

Reserve

You won't be charged yet

Local Sales and Use Tax (Door)	\$1,000
General Sales and Use Tax (Wisconsin)	\$60
	\$150
Occupancy taxes and fees	\$67
Total	\$1,277

Still not collecting 11% as of 1/18/2021.
 $\$1,000 + \$60 + \$150 = \$1,210$
 Taxable Lodging Sale
 $11\% = \$133.10$ (Should have been collected)
 Airbnb collected on Occupancy Taxes: $\$67.00$

Example #8- No Local Municipal Room Tax Programming applied to Online Listing.

Permit Number: 02-53-2378-00

Property Name: Baileys Harbor Condo

Municipality: Town of Baileys Harbor

Date of Screenshot: 1/27/2021

Listing ID: Airbnb 8126599

Note the Occupancy Tax Collection- no room tax programming:

$\$975 + \$100 + \$152 =$ taxable lodging sale of $\$1227$

$\$1,227$ at 11% tax = $\$134.97$

Problem: Airbnb is only collecting \$67 in Occupancy Tax on this property/reservation, at the 11% tax rate Airbnb should be collecting \$134.97. No local municipal room tax is collected for the Town of Baileys Harbor.

Entire townhouse hosted by Karen
6 guests · 3 bedrooms · 3 beds · 2.5 baths

Entire home
You'll have the townhouse to yourself.

Enhanced Clean
This host committed to Airbnb's 5-step enhanced cleaning process. [Learn more](#)

Highly rated host
Karen has received 5-star ratings from 95% of recent guests.

Free cancellation until 4:00 PM on Apr 7
After that, cancel before 4:00 PM on Apr 12 and get a 50% refund, minus the first night service fee. [Get details](#)

House rules
The host doesn't allow parties or smoking. [Get details](#)

\$195 / night ★ 4.72 (26)

CHECK-IN: 4/12/2021 CHECKOUT: 4/17/2021
GUESTS: 1 guest

Reserve
You won't be charged yet

Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$975
	\$100
	\$152
Occupancy taxes and fees	\$67

No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming.

Example #9- No Local Municipal Room Tax Programming applied to Online Listing.

Permit Number: 02-50-1978-00

Property Name: Beach Front Inn

Municipality: Town of Baileys Harbor

Date of Screenshot: 1/27/2021

Listing ID: Airbnb 29459613

Note the Occupancy Tax Collection- incorrect room tax programming

$\$860 + \$50 + \$128 =$ taxable lodging sale of $\$1,038$

$\$1,038$ at 11% tax = $\$114.18$

Problem: Airbnb is only collecting \$57 in Occupancy Tax on this property/reservation, at the 11% tax rate Airbnb should be collecting \$114.18. No local municipal room tax is collected for the Town of Baileys Harbor.

12:11:03 PM 1/27/2021

https://www.airbnb.com/rooms/29459613?source_impression_id=p3_1611771046_8alXZYZVJct1Ek%2Bc&guests...

Photos Amenities Reviews Location

Enhanced Clean
This host committed to Airbnb's 5-step enhanced cleaning process. [Learn more](#)

Shana is a Superhost
Superhosts are experienced, highly rated hosts who are committed to providing great stays for guests.

Cancellation policy
Non-refundable: Cancel before check-in and get back only the cleaning fee, if you paid one. [Get details](#)

House rules
This host doesn't allow smoking. [Get details](#)

Centrally located in downtown Bailey's Harbor, the Beachfront Inn is walking distance to shops, the local brewery, and restaurants. After a day of exploring enjoy this cozy, pet-friendly room while you snuggle up in front of the gas fireplace and listen to the sounds of the water.

\$215 / night

CHECK-IN 2/1/2021	CHECKOUT 2/5/2021
GUESTS 1 guest	

Reserve

You won't be charged yet

Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$860
Learn more	\$50
	\$128
Occupancy taxes and fees	\$57

No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming.

Waiting for 4620401.files.doubledclick.net...

April 12, 2021

Quietside Leadership LLC
Alan Jones
2810 Willard AVE
Madison, WI 53704

Dear Assembly Committee on Local Government,

Thank you for your time and effort as a Committee to hear Assembly Bill 189. I am writing to share my experience with 2019 WI ACT 10 since it was enacted on January 1, 2020 and provide comment on AB189. I am a Door County VRBO host with two listings for a property in Sturgeon Bay, Wisconsin in the municipality of the Town of Jacksonport.

After the effective date of 2019 WI ACT 10, I realized that VRBO was not in compliance with the newly passed legislation. Under state law, VRBO is required to collect WI State Sales and Use Tax (5.5%) and Local Municipal Room Tax (5.5%). Upon review of my listings, VRBO 352035 and VRBO 852534, I found only State Sales and Use Tax being added to my reservations however, there was no programming added to my listing to collect local municipal room tax. (See enclosure - *Examples of Traveler Payments*).

My wife and I made several calls to VRBO to address the matter. We also communicated via email. (See enclosure - *Communication to resolve issues with VRBO*). As you review this correspondence, you'll see that I raise two primary concerns: (1) VRBO's obligation to collect the Municipal Room Tax; and, (2) the platform's inability for a "work-around" for me to collect the additional 5.5% tax and remit them to the local taxing authority.

In addition to numerous hours spent on the phone and email, we ultimately paid the uncollected local Municipal Room Tax at our own expense. I understand it's my responsibility to ensure that all taxes (State Sales and Use and Local Municipal Room) are paid in a timely manner. We thought it best to pay the uncollected room tax out of respect for our customers, rather than go back and request additional payment subsequent to an agreed-upon overall price.

As you consider AB 189, I ask that you contemplate if the legislation addresses the issues hosts, like myself, have experienced. Are there expectations and penalties for failure to ensure these companies are collecting and remitting taxes correctly? The audit provision that this legislation provides does not address the challenges that 2019 WI ACT 10 created.

I respectfully ask that the State of Wisconsin start holding these companies accountable, or they need to take the responsibility of tax collection away from Marketplace Providers.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan Jones", with a stylized flourish at the end.

Alan Jones
Quietside Leadership LLC

Enclosures: Examples of Traveler Payments; Communication to resolve issues with VRBO

Examples of Traveler Payments

Traveler payment (June 20-27, 2020)

7 nights	\$1,375.01
Booking amount	\$1,375.01
Damage deposit	\$100.00
Lodging taxes we remit	\$83.83
Traveler service fee	\$149.00
Damage deposit refund 7/11/2020	-\$100.00
Total traveler payment	\$1,607.84

Note \$83.83 reflects 5.5% tax remittance (Wisconsin sales and Use Tax) on the part of VRBO. VRBO did not collect/remit the additional 5.5% Local Municipal Room Tax.

Traveler payment (October 2-5, 2020)

3 nights	\$630.00
Cleaning Fee	\$100.00
Booking amount	\$730.00
Lodging taxes we remit	\$44.55
Traveler service fee	\$80.00
Total traveler payment	\$854.55

Note - \$44.55 reflects 5.5% tax remittance (Wisconsin Sales and Use Tax) on the part of VRBO. VRBO did not collect/remit the additional 5.5% Local Municipal Room Tax.



Re: Vrbo Case 29643343 [ref: _00D1aZzRr_5001P18lbGX:ref]

Larry Jones <larryjones58@gmail.com>
To: Vrbo Customer Support <support-cs@vrbo.com>
Cc: kroberts@doorcountytourismzone.com

Sun, Nov 22, 2020 at 9:43 AM

Hi Katherine,

Thank you for following up. I'm copying Kim Roberts, Administrator - Door County Tourism Zone on this message. Kim has helped me understand, calculate and submit tourism zone taxes while working through the challenges utilizing a marketplace provider such as VRBO. I've listed two main questions below. I'm sure there are others, but this is a starting point.

IS VRBO required to collect and remit Door County Tourism Zone Tax?

Our property is located in Door County WI. VRBO is currently collecting and remitting 5.5% Tax (5% Wisconsin Sales and Use Tax; and .5% Door County Tax). Door County's Tourism Zone charges an additional 5.5% (lodging tax). VRBO is not collecting this tax for our properties. It is my understanding that VRBO is supposed to be collecting this additional lodging tax. As I review VRBO's page *What lodging taxes do you collect for Wisconsin?* the following are listed:

- State and County sales tax
- Baseball Stadium Sales Tax (Note - this does not apply to Door County)
- Local Exposition Tax (Note this does not apply to Door County)
- Premier Resort Area Tax (A list of cities are listed here. Sister Bay is listed. But, it's the only Door County city listed. Our property is not in Sister Bay).

No mention is made of the Door County Tourism Zone

If VRBO is not required to collect/remit the tourism zone tax, how can I collect it through the VRBO platform?

I reviewed VRBO's page *How Can I manage my lodging taxes?* The following three options are given:

Option 1: No tax collection through Vrbo's platform

- You will collect, file, and pay your taxes outside of our platform.

Option #1: is really not an option. VRBO is basically asking renters and property owners to set up an entirely separate mechanism for communicating and collecting required tax revenue. This defeats the purpose of having a marketplace provider such as VRBO. We're a mom and pop shop. People don't write checks anymore. We're not PCI compliant and would need to set up a separate vendor agreement to handle the tourism zone tax.

Option 2: Collect my taxes and send them to me

- Automatically collect your lodging taxes during each booking.
- Your taxes are sent to you at no extra cost.
- Just file and pay as you normally do.

Option #2: I've gone to my account settings to try and set this option up. It's either not available to me or I'm missing something. Please advise.

Option 3: Collect, file, and pay my taxes for me (Powered by Avalara MyLodgeTax)

- MyLodgeTax experts register your rentals in the correct jurisdictions.
- Automatically collect your lodging taxes during each booking.
- Your taxes are sent to you at no extra cost.
- Your bookings are automatically loaded into your MyLodgeTax account, ensuring accuracy and consistency.
- MyLodgeTax prepares and files your tax returns.
- MyLodgeTax retrieves tax funds from your account and pays your taxes.

Option #3: I couldn't find anything related to this option on my dashboard or account settings. Again, this option is either not available to me or I'm missing something. Please advise.

My Own Option #4: I tried a 'work around' by adding an additional fee. The drop down box does not show "Lodging Tax" as an option. Even if it did, the amount box only allows entry for a set amount. It does not allow for calculating 5.5%.

Katherine and Kim -my apologies if I've missed something or misrepresented something above. At this point I'm feeling pretty stuck. Katherine, I realize VRBO is a global company and the amount of revenue you generate from our cottages doesn't come close to constituting a rounding error. Kim, I know the Tourism Zone's work is entirely dependent on the lodging tax...a tax I support. Because we're liable, we've had to pay the 5.5% lodging tax for the 2020 rental season. That's water over the dam. I'm just trying to figure this out so we're not doing the same thing for the 2021 rental season.

Thanks to you both for your help.

Larry Jones
Quietside Cottages

On Sat, Nov 21, 2020 at 2:22 PM Vrbo Customer Support <support-cs@vrbo.com> wrote:



Dear Larry and Jill,

The tax specialist is reviewing your case and will let us know what is happening with the additional 5% tourism tax that is not being collected. In the meantime, please check the information on the link below and confirm that the local taxes you are referring to above is or not included in this article:

[How can I manage my lodging taxes?](#)

Thank you for contacting Vrbo.com Customer Support.

Visit help.vrbo.com for answers to frequently asked questions.

Best regards,

Katherine
Vrbo.com Customer Support

ref:_00D1aZzRr,_5001P18lbGX:ref

ref:_00D1aZzRr,_5001P18lbGX:ref



Re: Vrbo Case 28643343 [ref:_00D1aZzRr_5001P18lbGX:ref]

Door County Tourism Zone <info@doorcountytourismzone.com>
To: Larry Jones <larryjones58@gmail.com>
Cc: Vrbo Customer Support <support-cs@vrbo.com>, Danielle Zimmerman@vertexinc.com <Danielle.Zimmerman@vertexinc.com>, Kate Klingner@vertexinc.com <Kate.Klingner@vertexinc.com>,
Bcc: "Rep,Kitchens" <Rep.Kitchens@legis.wisconsin.gov>, Josh Van Lieshout - City of Sturgeon Bay <jvanlieshout@sturgeonbaywi.org>, Kathy Kluge <kluge@swandby.com>

Larry (Door County VRBO HOST) and Katherine (VRBO Customer Service Representative),

Larry, thank you for copying me on this communication related to your ongoing local municipal Room Tax collection issues with VRBO. Below please find information to answer some of the contacts at VERTEX and our local Assemblyman, Rep. Joel Kitchens to assist us with getting this corrected.

VRBO should be collecting 5.5% State Sales and Use Tax and 5.5% local municipal Room Tax (Town of Jacksonport) for the following VRBO listings: VRBO 352035 and VRBO 852534. The D simply a group of Door County municipalities (all with room tax ordinances) that joined together to make the collecting of room tax and distribution more efficient. The DCTZC is the local tax DCTZC receives room tax revenue directly from the Marketplace Providers and distributes to the member municipalities, it is not a "Tourism Zone" extra tax, but a local municipal Room Tax (66,0615. In this case, the Town of Jacksonport, is your local municipality.

To answer the question, "is VRBO required to collect the tax", 2019 WI ACT went into law on January 1, 2020. The legislation requires marketplace providers, like VRBO, to collect and remit Wisconsin. It is my understanding that for all of 2020, VRBO has only collected State Sales and Use Tax for these Listing IDs, but has failed to collect and remit local municipal Room Tax as VERTEX who does their tax programming and I have confirmed repeatedly with VERTEX that all of our municipalities are included in the programming for local Room Tax collection.

Katherine (VRBO), we'd like to ensure that this is resolved so that Mr. Jones' 2021 reservations are correct with the appropriate tax settings in place for both his VRBO listing IDs. He has be summer with VRBO, with no success. My hope is by including VERTEX in this communication they can take a look at their programming and see if this issue stems from a programming error information about the property address from Door County Land Records - the second screenshot has the following information:

[Parcel Search by](#)
[Zoom to](#)

Layers | **Information**
Found Shapes: 1
[PDF Mailing Labels](#)
[HTML Mailing Labels](#)
[CSV Mailing Labels](#)
Tax Record
 Parcel ID 016100005
Last Name QUIETSIDE LEADERSHIP LLC
First Name
Mailing Address
 2810 WILLARD AVE
 MADISON, WI 53704
Property 6812 STATE HWY 57
Address
[Parcel & Tax Detail Screen](#)
[Sanitary Permit Records](#)
[Parcel Report](#)
[Soils Report](#)
[Buffer Parcel](#)

Courtesy of Door County Land Information Office. X,Y: 2701459.87965, 439805.57503 Lat, Lon: 45.9048 -87.1855 USNG: 18TDD Scale: 1:494

Taylor Pay period 1...
[Open file](#)

Search for anything

Katherine (VRBO) and VERTEX, if there is further information or support that I can provide to assist you in bringing Mr. Jones' listing ID's into compliance with State Law, please don't hesitate

Sincerely,

Kim Roberts
 Administrator
 Door County Tourism Zone Commission
 P.O. Box 55
 10568 Country Walk Lane Unit 102
 Sister Bay WI 54234
 920.854.6200

www.doorcountytourismzone.com
info@doorcountytourismzone.com

Office hours: Monday - Friday 8 AM - 4 PM

To file your room tax online: <https://miles.com/RoomTax/newlogin/>

New Reference Guide: [ENTERM GUIDE FOR MARKETPLACE SELLERS USING MARKETPLACE PROVIDER PLATFORMS](#)



(Does not include)



Re: Vrbo Case 29643343 [ref:_00D1aZzRr_5001P18lbGX:ref]

Kaelin Ventura <kventura@expediagroup.com>

Mon, Nov 23, 2020 at 5:45 PM

To: Door County Tourism Zone <info@doorcountytourismzone.com>, Larry Jones <alarryjones58@gmail.com>
Cc: HA - support-cs vrbo.com <support-cs@vrbo.com>, "Danielle.Zimmerman@vertexinc.com" <Danielle.Zimmerman@vertexinc.com>, "Kate.Klinger@vertexinc.com" <Kate.Klinger@vertexinc.com>, Christy Vernor <cvernor@expediagroup.com>, HA_Indirect_Tax <HA_Indirect_Tax@expedia.com>

Hi Kim,

Thank you for bringing this issue to our attention. We forwarded the support you provided to the appropriate team and they were able to resolve. It appears that the property was mapped to an incorrect geocode which is why the Town of Jacksonport tax was not being applied to the property. However, the property should now have both tax types applied correctly – see screenshot of tax settings page below.

Taxing authority	Government level	Tax rate	Tax type	Taxable amounts	Effective Date
City of Jacksonport	Local	1%	General Sales and Use Tax	Property and Sales	Active
City of Jacksonport	Local	0%	General Sales and Use Tax	Hotel and Lodging	Active
City of Jacksonport	Local	1%	General Sales and Use Tax	Hotel and Lodging	Active

Please let us know if you have any additional questions or if we could assist you with anything else.

Thank you,
Kaelin

Kaelin Ventura
Tax Manager, Vrbo Indirect Tax
kventura@vrbo.com



[Quoted text hidden]

April 12, 2021

Charlene K Berg and Dwain Risenhoover
12625 STH 42
Ellison Bay WI 54210

Dear Assembly Committee on Local Government,

Thank you for your time and effort as a Committee to hear Assembly Bill 189. I am writing to share my experience with 2019 WI ACT 10 since it was enacted on January 1, 2020 and provide comment on AB189. I am a Door County Airbnb host with a property in Ellison Bay, Wisconsin in the municipality of the Town of Liberty Grove.

After the effective date of 2019 WI ACT 10, I quickly realized that Airbnb was not in compliance with the newly passed legislation. Under state law, Airbnb is required to collect WI State Sales and Use Tax (5.5%) and Local Municipal Room Tax (5.5%). Upon review of my listing, Airbnb 18686076, I found only State Sales and Use Tax being added to my reservations; Airbnb has been collecting and remitting State Sales Tax since 2017. As of today, my listing is still not in compliance with state law to collect both State Sales Tax and Local Municipal Room Tax. There is no programming added to my listing to collect local municipal room tax.

I have included a screenshot of my listing that lacks room tax programming with this letter.

Over the course of the past several months, I have exhausted countless hours of my life attempting to connect with Air BnB regarding my room listing on their site. I've been unable to connect by phone, as they merely provide a robo-call center that takes me in circles, and ultimately never answers my questions let alone resolves the issue.

In speaking with local Air BnB counterparts, I have found them all to be in the same situation as me. The level of concern for small business owners, such as myself, reflects little or no concern on the part of Air BnB. Tourism is at the center of the Door County economy and Air BnB plays a role in supporting our commerce. That said, it appears that we are being forced to accept AirBnB's policies and their inability to fix our listings; leaving us to paying room tax out of our pockets, or to be excluded from listing on Airbnb.

We, the small business owners of Door County have exhausted our time and resources trying to resolve this issue that affects not only our personal finances, but also greatly impacts Door County and the State of Wisconsin's tourism industry. As you consider AB 189, I ask that you contemplate if the legislation addresses the issues hosts, like myself, have experienced. Are there expectations and penalties for failure to ensure these companies are collecting and remitting taxes correctly? The audit provision that this legislation provides does not address the challenges that 2019 WI ACT 10 created.

I respectfully ask that the State of Wisconsin start holding these companies accountable, or they need to take the responsibility of tax collection away from Marketplace Providers.

Sincerely,

Charlene K Berg and Dwain Risenhoover

Enclosure: Screenshot of Airbnb Listing 18686076 to demonstrate the lack of room tax programming compared to a listing with correct programming.

Example- No Local Municipal Room Tax Programming applied to Online Listing

Permit Number: 32-56-1756-00

Municipality: Town of Liberty Grove

Property Name: Welcome Home

Date of Screenshot: 11/20/2020

Listing ID: Airbnb 18686076

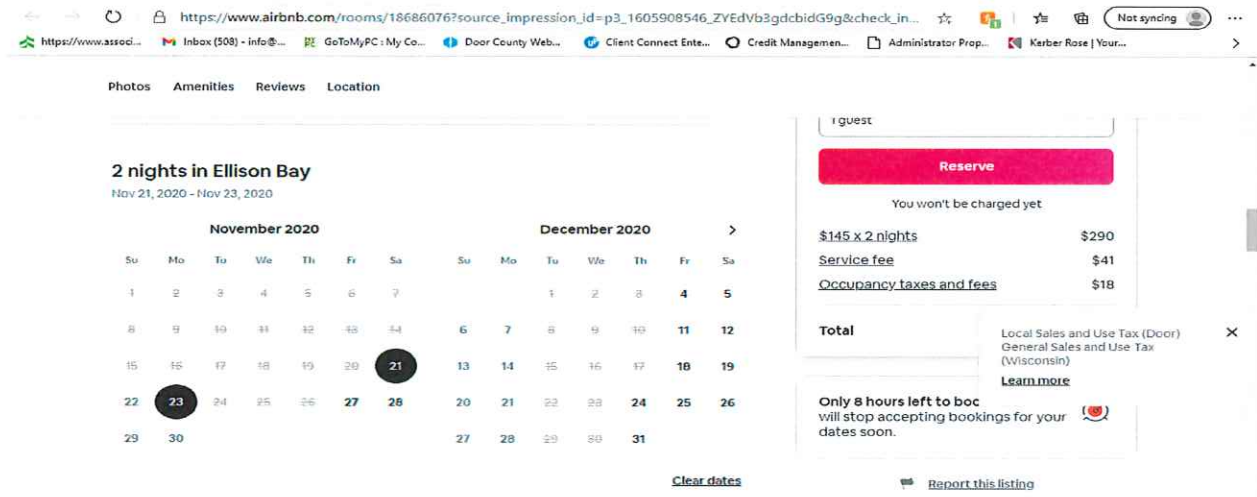
Problem: Note the Occupancy Tax Collection- no room tax programming

Note the Occupancy Tax Collection:

\$290+\$41 = taxable lodging sale of \$331

\$331 at 11% tax = \$36.41

Problem: Airbnb is only collecting \$18; Airbnb should be collecting \$36.41 in Occupancy Tax on this property/reservation (11%). No local municipal room tax is indicated or collected for the Town of Baileys Harbor.



Example continued: Same property, screenshot as of 1/18/2021. Additional screenshot to demonstrate that the lack of programming to collect local municipal room tax was not just an error or a short-term lapse in programming.

Photos Amenities Reviews Location

Show all 21 amenities

2 nights in Ellison Bay
Feb 26, 2021 - Feb 28, 2021

January 2021							February 2021						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2	1	2	3	4	5	6	
8	4	5	6	7	8	9	7	8	9	10	11	12	13
10	11	12	13	14	15	16	14	15	16	17	18	19	20
17	18	19	20	21	22	23	21	22	23	24	25	26	27

\$134 / night ★ 4.96 (124)

CHECK-IN 2/26/2021	CHECKOUT 2/28/2021
GUESTS 1 guest	

Reserve

You won't be charged yet

\$134 x 2 nights	\$268
Service fee	\$38
Occupancy taxes and fees	\$17
Total	\$323

For comparison, below is an example of correct tax programming:

Photos Amenities Reviews Location

- Enhanced Clean**
This host committed to Airbnb's 5-step enhanced cleaning process. [Learn more](#)
- Self check-in**
Check yourself in with the keypad.
- Free cancellation for 48 hours**
After that, cancel before 4:00 PM on May 31 and get a 50% refund, minus the service fee. [Get details](#)
- House rules**
The host doesn't allow parties or smoking. [Get details](#)

"Sherwood Point Lodge" is a one-of-a-kind luxury, completely custom log cabin on the warm and calm waters of Lake Michigan in Door County, WI. Sleeps up to 20 people. 13 beds including pull out couches, and cribs! We have the best fishing IN THE LAKE on our property with a dredged our area (16ft) on the largest pier within 25 miles of residential property. Big boats will be easily docked on our pier! Kayak... [read more](#)

[Contact host](#)

\$1,449 / night

CHECK-IN 6/7/2021	CHECKOUT 6/11/2021
GUESTS 2 guests	

Reserve

You won't be charged yet

Accommodations Tax (Nasewaupsee Township) Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$5,796
Learn more	\$595
Occupancy taxes and fees	\$902
Total	\$8,095

Note the Occupancy Tax Collection:
 $\$5796 + \$595 + \$902 = \$7,293$ taxable lodging sale
 $\$7,293 \text{ at } 11\% \text{ tax} = \$802.23 = \text{Correct amount of tax collected.}$

Representative Novak
(Chair)
Room 310 North
State Capitol
PO Box 8953
Madison, WI 53708

Representative Conley
Room 320 West
State Capitol
PO Box 8952
Madison, WI 53708

Representative Gundrum
(Vice-Chair)
Room 312 North
State Capitol
PO Box 8952
Madison, WI 53708

Representative Brooks
Room 216 North
State Capitol
PO Box 8952
Madison, WI 53708

Representative Duchow
Room 221 North
State Capitol
PO Box 8952
Madison, WI 53708

Representative Skowronski
Room 209 North
State Capitol
PO Box 8953
Madison, WI 53708

Representative Macco
Room 208 North
State Capitol
PO Box 8953
Madison, WI 53708

Representative Spreitzer
Room 113 North
State Capitol
PO Box 8953
Madison, WI 53708

Representative Baldeh
Room 11 North
State Capitol
PO Box 8952
Madison, WI 53708

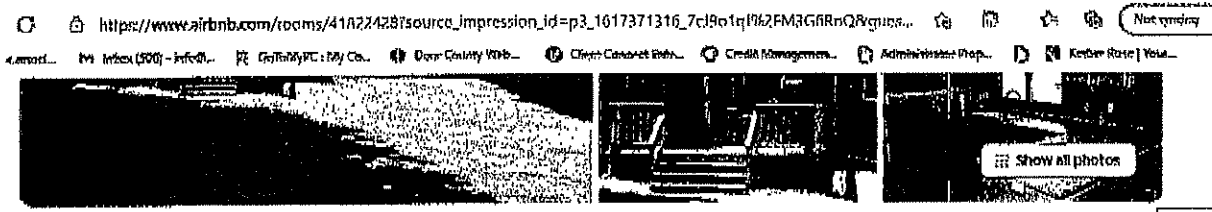
Date

Klems Investment Properties LLC - Mary Klimczyk
4690 Finger Road
Green Bay, WI 54311

Dear Assembly Committee on Local Government,

Thank you for your time and effort as a Committee to hear Assembly Bill 189. I am writing to share my experience with 2019 WI ACT 10 since it was enacted on January 1, 2020. AB 189 seeks correcting legislation for §66.0615 and §66.0614 which were changed by 2019 WI ACT 10. I am a Door County Airbnb host with a property in Fish Creek, Wisconsin in the municipality of the Town of Gibraltar.

After the effective date of 2019 WI ACT 10, I quickly realized that Airbnb was not in compliance with the newly passed legislation. Under state law, Airbnb is required to collect WI State Sales and Use Tax (5.5%) and Local Municipal Room Tax (5.5%). Upon review of my listing, I found only State Sales and Use Tax being added to my reservations. Airbnb has been collecting WI State Sales and Use Tax since 2017. There is no programming added to my listing to collect local municipal room tax. As of today, over a year later, my listing is still not in compliance with state law to collect both State Sales Tax and Local Municipal Room Tax. Below is a screenshot of my listing: as of 4/2/2021:



Entire house hosted by Mary
10 guests · 4 bedrooms · 5 beds · 2 baths

- Entire home**
You'll have the house to yourself.
- Enhanced Clean**
This host committed to Airbnb's 5-step enhanced cleaning process. [Learn more](#)
- Free cancellation for 48 hours**
After that, cancel before 4:00 PM on May 3 and get a 50% refund, minus the service fee. [Get details](#)
- House rules**
The host doesn't allow pets, parties, or smoking. [Get details](#)



\$283 / night 1 review

CHECK-IN 5/10/2021	CHECK-OUT 5/14/2021
GUESTS 1 guest	
Reserve	

\$283 x 4 nights	\$1,132
Cleaning fee	\$275
Service fee	\$799
OCCUPANCY TAXES AND FEES	\$88

Only State Sales and Use Tax programmed on my listing for tax collection.

Note the Occupancy Tax Collection:
 \$1,132 + \$275 + \$199 = taxable lodging sale of \$1,606
 \$1,606 at 11% tax = \$176.66
 Airbnb is only collecting \$88

Problem: Note the Occupancy Tax Collection- Airbnb is only collecting State Sales Tax- there is no programming for local municipal room tax.

Note the Occupancy Tax Collection:

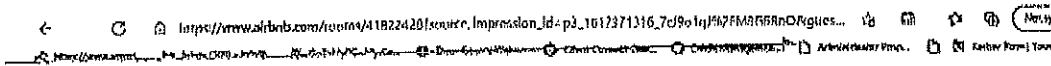
\$1,132 + \$275 + \$199 = taxable lodging sale of \$1,606

\$1,606 at 11% tax = \$176.66

Problem: Airbnb is only collecting \$88 in Occupancy Tax on this property/reservation, at the 11% tax rate Airbnb should be collecting \$176.66. No local municipal room tax is collected for the Town Gibraltar.

The second screen shot below, shows the tax detail substantiating that Airbnb is only collecting, "Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)" which further demonstrates that there is no programming for local room tax for my listing. Listings that have programming to collect local municipal room tax have an additional line that reads, "Accommodations Tax".

Below is my listing (listing ID # 41822428) only showing the WI Sales and Use Tax, I have provided another listing that has the correct programming for comparison:



Photos Amenities Reviews Location

NEVER BEEN CHECKED OUT! This is my 2nd Airbnb listing, please see the service fee. Get details

House rules

The host doesn't allow pets, parties, or smoking. Get details

Need a copy of your driver's license and a signed rental agreement within 48 hours of acceptance of your booking. Home is located at 8570 HWY 42 Fish Creek WI 54212. Not a remaining Ranch Approx. 2000 sq ft, protected by outdoor security surveillance. Minimum booking age 25, infants are considered guests when booking. No staff attached to property. Extra ref/operator in paragon. 4 bedrooms, sleeps 10. The... read more

Guestbook

\$283 / night

Traveler

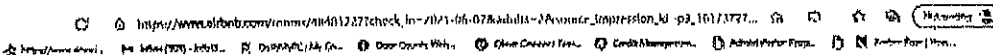
Check-in: 5/19/2021, Check-out: 5/21/2021, 1 guest, RESERVE button

You cannot be charged yet

Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$1,132
Assessment	\$275
Accommodations Tax	\$199
Occupancy taxes and fees	\$88

Only State Sales and Use Tax programmed on my listing for tax collection.

Correct Programming:



Photos Amenities Reviews Location

Enhanced Clean

This listing is committed to Airbnb's 5-step enhanced cleaning process. Learn more

Self check-in

Check yourself in with the keypad.

Free cancellation for 48 hours

After this, cancel before 4:00 PM on May 31 and get a 50% refund. Apply the price for 1 day/1 night.

House rules

The host doesn't allow parties or smoking. Get details

"Greenwood Point Lodge" is a one-of-a-kind luxury, completely custom log cabin with warm and calm waters of Lake Michigan in Door County, WI. Sleeps up to 20 people in 10 beds including pull out couches, and all of us have the best fishing in the area on our property with a dedicated our area (WRI) on the largest pier within 25 mi residential property. Big boats will be easily docked on our pier! Kay... read more

Contact host

\$1,409 / night

Check-in: 6/7/2021, Check-out: 6/11/2021, 2 guests, RESERVE button

Accommodations Tax (Hovavossee Township) Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$8,286
Assessment	\$596
Occupancy taxes and fees	\$902

Total \$9,784

BOTH State Sales and Use Tax and Local Municipal Room tax are programmed on this listing.

I have spent over a year trying to get Airbnb to fix my listing. After numerous hours on hold, transferred everywhere, hung up on, with no success or a fix per say, I am worn out. I have talked to others from my area in Fish Creek all the way to Washington Island. They all have given up, I am not alone, this is not an isolated issue. It appears they must accept this treatment or not get any business from Airbnb. They are all tired of fighting trying to make it right. They are paying room tax out of pocket because they cannot get Airbnb to fix their listings.

We feel like we have no options as our business partner (Airbnb) could care less about the little guy. If I add the room tax in my price like I have now, my bookings drop off. I would need to lower my price, but I am at the lower end already. No one is keeping this big business accountable; the little guy is paying for their success.

As you consider AB 189, I ask that you contemplate if the legislation addresses the issues hosts, like myself, have experienced. Are there expectations and penalties for failure to ensure these companies are collecting and remitting taxes correctly? The audit provision that this legislation provides does not address the challenges that 2019 WI ACT 10 created.

I respectfully ask that the State of Wisconsin start holding these companies accountable, or they need to take the responsibility of tax collection away from Marketplace Providers.

Sincerely,

Mary & Klemczyk 4-14-2021
920-655-1922

Mary Klimczyk

4/12/2021

Kate Lindsley
8776 S Cedar Trail
Baileys Harbor WI 54202

Dear Assembly Committee on Local Government,

Thank you for your time and effort as a Committee to hear Assembly Bill 189. I am writing to share my experience with 2019 WI ACT 10 since it was enacted on January 1, 2020 and provide comment on AB189. I am a Door County Airbnb host that manages six (6) properties in various locations in Door County.

In February 2021 I added a new listing in the municipality of the Town of Baileys Harbor. Once I posted the listing, I quickly realized that Airbnb was not in compliance with the 2019 WI ACT 10.

Under state law, Airbnb is required to collect WI State Sales and Use Tax (5.5%) and Local Municipal Room Tax (5.5%). Upon review of my listing, I found only State Sales and Use Tax being added to my reservations. Airbnb has been collecting WI State Sales and Use Tax since 2017. There is no programming added to my listing to collect local municipal room tax. As of today, after numerous phone calls to Airbnb, my listing is still not in compliance with state law to collect both State Sales Tax and Local Municipal Room Tax.


My five (5) other listings I manage, have the correct tax programming. I have included a screenshot my listing that lack room tax programming as of 3/9/2021 with this letter. I have made numerous attempts and spent hours of my time contacting Air B&B. They are constantly telling me they are looking into the issue but never fix the problem. I feel that basically I have to deal with the issue because I feel they have made zero effort to fix the issue. I have spoken with many host's in the Door County area and they are experiencing the same issues. Never the less the host's end up having to pay the room tax out of pocket because Air B&B dose not resolve this issue.

As you consider AB 189, I ask that you contemplate if the legislation addresses the issues hosts, like myself, have experienced. Are there expectations and penalties for failure to ensure these companies are collecting and remitting taxes correctly? The audit provision that this legislation provides does not address the challenges that 2019 WI ACT 10 created.

I respectfully ask that the State of Wisconsin start holding these companies accountable, or they need to take the responsibility of tax collection away from Marketplace Providers.

Sincerely,

Kate Lindsley



Enclosure: Screenshot of Airbnb Listing 48463231 to demonstrate the lack of room tax programming compared to a listing with correct programming.

Example - No Local Municipal Room Tax Programming applied to Online Listing.

Permit Number: 02-56-2403-21

Property Name: Moonlight Cabin - 2648 Linda Lane

Municipality: Town of Baileys Harbor

Date of Screenshot: 3/9/2021

Listing ID: Airbnb 48463231

Note the Occupancy Tax Collection- incorrect room tax programming

Note the Occupancy Tax Collection:

$\$800 + \$150 + \$134 =$ taxable lodging sale of $\$1,084$

$\$1,084$ at 11% tax = $\$119.24$

Problem: Airbnb is only collecting \$60; Airbnb should be collecting \$119.24 in Occupancy Tax on this property/reservation (11%). No local municipal room tax is indicated or collected for the Town of Baileys Harbor.

The screenshot shows the Airbnb listing for 'Moonlight Cabin'. The price is \$200/night. The listing includes details about cancellation (free for 48 hours) and house rules (no pets, parties, or smoking). A callout box points to the tax information, stating: 'Only State Sales and Use Tax programmed on my listing for tax collection.' The tax breakdown is as follows:

Category	Amount
Room rate	\$1,000
State and local taxes	-\$200
Service fee	\$150
Occupancy taxes and fees	\$134
Total	\$1,084

For comparison, below is an example of correct tax programming:

Photos Amenities Reviews Location

Enhanced Clean
 This host committed to Airbnb's 5-step enhanced cleaning process. [Learn more](#)

Self check-in
 Check yourself in with the keypad

Free cancellation for 48 hours
 After that, cancel before 4:00 PM on May 31 and get a 50% refund, minus the service fee. [Get details](#)

House rules
 The host doesn't allow parties or smoking. [Get details](#)

"Sherwood Point Lodge" is a one-of-a-kind luxury, completely custom log cabin on the warm and calm waters of Lake Michigan in Door County, WI. Sleeps up to 20 people with 13 beds including pull out couches, and cribs! We have the best fishing IN THE area on our property with a dredged out area (16ft) on the largest pier within 25 miles of residential property. Big boats will be easily docked on our pier! Kayaking... [read more](#)

[Contact host](#)

\$1,449 / night

CHECK-IN
6/7/2021

GUESTS
2 guests

BOTH State Sales and Use Tax and Local Municipal Room tax are programmed on this listing.



per night

Accommodations Tax	Based on the tax table for Wisconsin	
Local Sales and Use Tax (Door County General Sales and Use Tax Wisconsin)		\$5,796
Learn more		\$595
		\$902
<u>Occupancy taxes and fees</u>		\$802
Total		\$8,095

April 8, 2021

Representative Novak (Chair)
Room 310 North
State Capitol
PO Box 8953
Madison, WI 53708

Representative Gundrum (Vice-Chair)
Room 312 North
State Capitol
PO Box 8952
Madison, WI 53708

Representative Duchow
Room 221 North
State Capitol
PO Box 8952
Madison, WI 53708

Representative Skowronski
Room 209 North
State Capitol
PO Box 8953
Madison, WI 53708

Representative Macco
Room 208 North
State Capitol
PO Box 8953
Madison, WI 53708

Representative Spreitzer
Room 113 North
State Capitol
PO Box 8953
Madison, WI 53708

Representative Baldeh
Room 11 North
State Capitol
PO Box 8952
Madison, WI 53708

Representative Conley
Room 320 West
State Capitol
PO Box 8952
Madison, WI 53708

Representative Brooks
Room 216 North
State Capitol
PO Box 8952
Madison, WI 53708

Dear Assembly Committee on Local Government,

Thank you for your time and effort as a Committee to hear Assembly Bill 189. I am writing to share my experience with 2019 WI ACT 10 since it was enacted on January 1, 2020 and provide comment on AB189. I am a Door County Airbnb host with multiple properties in the following municipalities: Town of Gibraltar, Village of Sister Bay, Town of Egg Harbor and Town of Baileys Harbor.

After the effective date of 2019 WI ACT 10, I quickly realized that Airbnb was not in compliance with the newly passed legislation with some of my listings. I have the following Airbnb Listings:

- Airbnb 8126599- Baileys Harbor Condo (Town of Baileys Harbor-no room tax programming),
- Airbnb 8673729- Door County Cabin in the Woods (Town of Baileys Harbor- no room tax programming),
- Airbnb 13589290- Egg Harbor Log Cabin (Village of Egg Harbor),
- Airbnb 15634038- Brook Point Condo - Unit 5 (Town of Gibraltar-no room tax programming)
- and Airbnb 20981273 - Sister Bay Cottage (Village of Sister Bay- no PRAT tax).

Under state law, Airbnb is required to collect WI State Sales and Use Tax (5.5%) and Local Municipal Room Tax (5.5%). Airbnb has been collecting WI State Sales and Use Tax since 2017.

The only listing Airbnb is collecting tax correctly is on the Village of Egg Harbor listing. The Baileys Harbor listings and the Town of Gibraltar listing have no room tax programming and the Village of Sister Bay has no Premier Resort Area Tax "PRAT".

As of today, over a year later, only one of the five listings are in compliance with state law to collect both State Sales Tax, Local Municipal Room Tax and if applicable PRAT tax. Below are screenshots of my listings as of 4/2/2021:

Example #1: Listing ID 8126599

amenities Reviews Location

Entire home
You'll have the townhouse to yourself.

Enhanced Clean
This host committed to Airbnb's 5-step enhanced cleaning process. [Learn more](#)

Highly rated host
Karen has received 5-star ratings from 95% of recent guests.

Free cancellation until 4:00 PM on Aug 3
After that, cancel before 4:00 PM on Aug 8 and get a 50% refund, minus the first night and service fee. [Get details](#)

House rules
The host doesn't allow parties or smoking. [Get details](#)

Not your usual Door County condo. This is one of only 6 condo units in this building adjacent to Maxwellton Beach golf course. This condo has a private entrance with two

\$295 / night ★ 4.72 (26)

CHECK-IN 8/8/2021	CHECKOUT 8/11/2021
GUESTS 1 guest	

Reserve

You won't be charged yet

<u>\$295 x 3 nights</u>	\$885
<u>Cleaning fee</u>	\$100
<u>Service fee</u>	\$139
<u>Occupancy taxes and fees</u>	\$62

No Accommodations Tax Listed, Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming.

Problem: Note the Occupancy Tax Collection- Airbnb is only collecting State Sales Tax- there is no programming for local municipal room tax.

Note the Occupancy Tax Collection:

$\$885 + \$100 + \$139 =$ taxable lodging sale of $\$1,124$

$\$1,124$ at 11% tax = $\$123.64$

Airbnb is only collecting **$\$62$** in Occupancy Tax on this property/reservation, which is only the collection of State Sales Tax. No local municipal room tax is collected for the Town of Baileys Harbor.

Example #2:
Listing ID
8673729

https://www.airbnb.com/rooms/8673729?source_impression_id=p3_1617380624_8d4vP%2Bheyaut1705&guests...

Amenities Reviews Location

- Enhanced Clean**
This host committed to Airbnb's 5-step enhanced cleaning process. [Learn more](#)
- Great location**
99% of recent guests gave the location a 5-star rating.
- Free cancellation until 4:00 PM on Sep 8**
After that, cancel before 4:00 PM on Sep 13 and get a 50% refund, minus the first night and service fee. [Get details](#)
- House rules**
The host doesn't allow parties or smoking. [Get details](#)

This lovely Door County log cabin is a beautiful home located in the town of Baileys Harbor, Wisconsin. It sits on 3-1/2 wooded acres in a secluded, but not remote location. It is a perfect spot to relax, unwind and still be within minutes of all Door County has to offer. Pet friendly, open year round. Because we are pet and people friendly, we use Mosquito Squad to keep mosquitoes and ticks down to a bare minimum... [read more](#)

\$295 / night ★ 4.85 (41)

CHECK-IN 9/13/2021	CHECKOUT 9/17/2021	<div style="border: 1px solid black; padding: 5px; font-size: small;"> No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming. </div>
GUESTS 1 guest		
Reserve		
You won't be charged yet		
<u>\$295 x 4 nights</u>		\$1,180
<u>Cleaning fee</u>		\$100
<u>Service fee</u>		\$181
<u>Occupancy taxes and fees</u>		\$80

Problem- Example #2: Note the Occupancy Tax Collection- Airbnb is only collecting State Sales Tax- there is no programming for local municipal room tax.

Note the Occupancy Tax Collection:

$\$1,180 + \$100 + \$181 =$ taxable lodging sale of $\$1,461$

$\$1,461$ at 11% tax = $\$160.71$

Airbnb is only collecting **$\$80$** in Occupancy Tax on this property/reservation, which is only the collection of State Sales Tax. No local municipal room tax is collected for the Town of Baileys Harbor.

Example #3:
Listing ID
15634038



Entire house hosted by Karen
6 guests · 2 bedrooms · 3 beds · 2.5 baths



- Entire home**
You'll have the house to yourself.
- Enhanced Clean**
This host committed to Airbnb's 5-step enhanced cleaning process. [Learn more](#)
- Great check-in experience**
94% of recent guests gave the check-in process a 5-star rating.
- Free cancellation until 4:00 PM on Apr 6**
After that, cancel before 4:00 PM on Apr 11 and get a 50% refund, minus the first night and service fee. [Get details](#)
- House rules**
The host doesn't allow parties or smoking. [Get details](#)

\$195 / night

CHECK-IN 4/11/2021	CHECK-OUT 4/13/21
GUESTS 1 guest	

[Reserve](#)

You won't be charged yet

\$195 x 2 nights	\$390
Cleaning fee	\$100
Service fee	\$69
Occupancy taxes and fees	\$31

No Accommodations Tax Listed. Only General Sales and Use (WI) and Local Sales and Use Tax (Door) = State Sales Tax Programming.

Problem- Example #3: Note the Occupancy Tax Collection- Airbnb is only collecting State Sales Tax- there is no programming for local municipal room tax.

Note the Occupancy Tax Collection:

$\$390 + \$100 + \$69 = \text{taxable lodging sale of } \559
 $\$559 \text{ at } 11\% \text{ tax} = \61.49

Airbnb is only collecting **\$31** in Occupancy Tax on this property/reservation, which is only the collection of State Sales Tax. No local municipal room tax is collected for the Town of Gibraltar.

The screen shot below, shows the tax detail substantiating that Airbnb is only collecting, "Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)" which further demonstrates that there is no programming for local room tax for my listing. Listings that have programming to collect local municipal room tax have an additional line that reads, "Accommodations Tax".

https://www.airbnb.com/rooms/15634033?source_impression_id=p3_1617387744_cWz2%2BFG%2F5fwXDIG2&g...
 Entire house hosted by Karen
 6 guests · 2 bedrooms · 3 beds · 2.5 baths

- Entire home
- Enhanced Clean
- Great check-in experience
- Free cancellation until 4:00 PM on Apr 6
- House rules

\$195 / night ★ 4.99 (21)

CHECK-IN: 4/11/2021 CHECKOUT: 4/13/2021
 GUESTS: 1 guest

Reserve

You won't be charged yet

Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$390
Occupancy taxes and fees	\$31

Only State Sales and Use Tax programmed on my listing for tax collection.

Above is my listing (listing ID # 176566028) only showing the WI Sales and Use Tax, I have provided another listing that has the correct programming for comparison. Correct Programming:

https://www.airbnb.com/rooms/48481227?check_in=2021-06-07&adults=2&source_impression_id=p3_16173727...
 Photos Amenities Reviews Location

- Enhanced Clean
- Self check-in
- Free cancellation for 48 hours
- House rules

\$1,449 / night

CHECK-IN: 6/7/2021 CHECKOUT: 6/11/2021
 GUESTS: 2 guests

Reserve

You won't be charged yet

Accommodations Tax (State-municipal Property)	\$5,796
Local Sales and Use Tax (Door) General Sales and Use Tax (Wisconsin)	\$595
Occupancy taxes and fees	\$802
Total	\$8,095

BOTH State Sales and Use Tax and Local Municipal Room tax are programmed on this listing.

It is a huge problem for our renters and for me to be able to pay the appropriate taxes. Calculating amounts due to the state of Wisconsin and to the Door County Tourism Zone takes hours. Any calls to Airbnb don't provide answers. I am assured that they are working on the problem and that they are taking taxes appropriately. When I look at our listings, they show that taxes are being charged to the guests, but they are not. I have frequently just paid the room tax personally because it is owed and has not been collected – although I am told that it has been collected. The amounts do not match and have not matched since they began "theoretically" collecting the tax amounts owed. Some of my rental properties have taxes charged appropriately and some do not. I own a very busy restaurant in our resort area and I am accustomed to paying appropriate sales tax. My multi million dollar restaurant business takes me less time to properly pay for taxes than my vacation rental

business with six Airbnb vacation rentals. I get no help from Airbnb -- no matter how many contacts I make to them.

As you consider AB 189, I ask that you contemplate if the legislation addresses the issues hosts, like myself, have experienced. Are there expectations and penalties for failure addressed in the legislation to ensure these companies are collecting and remitting taxes correctly? The audit provision that this legislation provides does not address the challenges that 2019 WI ACT 10 created.

I respectfully ask that the State of Wisconsin start holding these companies accountable, or they need to take the responsibility of tax collection away from Marketplace Providers.

Sincerely,

A handwritten signature in cursive script that reads "Karen Berndt".

Karen Berndt

Door County Escapes

P O Box 278

Baileys Harbor, WI 54202

920-737-9301

doorcountyescapes@gmail.com

kjb