

ORDINANCE NO. 2025-_____

**AN ORDINANCE OF THE CITY OF KNOXVILLE,
KNOX COUNTY, ILLINOIS, AMENDING CHAPTER 26,
ARTICLE 6, SECTION 1 OF THE KNOXVILLE CITY CODE
REGARDING THE HOTEL OR MOTEL OCCUPANCY TAX**

WHEREAS, the City of Knoxville, Knox County, Illinois ("City") is authorized under the Illinois Municipal Code (65 ILCS 5/1 1-1 et seq.) and Illinois law to adopt ordinances pertaining to the public health, safety and welfare; and

WHEREAS, the City is authorized under 65 ILCS 5/8-3-14a to impose hotel and motel room use taxes; and

WHEREAS, the City Council of the City of Knoxville finds that it is in the best interest of the City to amend the provisions of the City Code to clarify that the City's hotel and motel room occupancy tax within the City applies to short-term rentals providing accommodations to visitors and travelers, and not only to the use and occupancy of rooms in more traditional "hotels";

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL AND MAYOR OF THE CITY OF KNOXVILLE, KNOX COUNTY, ILLINOIS, AS FOLLOWS:

Section 1. The recitals set forth above are found to be true and correct.

Section 2. Chapter 26, Article 6, Section 1 of the Knoxville Municipal Code is hereby repealed and replaced with a new Chapter 26, Article 6, Section 1 to provide as follows:

SEC. 26-6-1: Definitions

For the purpose of this Article, whenever any of the following words, terms, or definitions are used herein, they shall have the following meanings:

HOTEL or MOTEL: Any house, building or structure located within the City of Knoxville that contains a hotel room or motel room.

HOTEL ROOM or MOTEL ROOM: A room within a structure kept, used, or maintained as or advertised or held out to the public to be in an inn, motel, hotel, apartment, lodging house, dormitory, or place where sleeping, rooming, office, conference, or exhibition accommodations are furnished for lease or rent, whether with or without meals, including but not limited to short-term rentals and such houses, buildings or structures, or portions thereof, booked through online travel companies or other forms of advertising. Accommodation within said houses, buildings or structures which are leased to the same occupant for a period of more than thirty (30) consecutive days regardless of the initial lease commitment shall be exempt from the tax provisions of this chapter.

SHORT-TERM RENTAL: For purposes of this Article, houses, buildings or structures, or portions thereof, which are held out to the public to be a place where sleeping, rooming, office, conference, or exhibition accommodations are furnished for lease or rent and which are booked through online short-term rental platforms, including but not limited to VRBO, HomeAway, or AirBnB. Short-term rentals when rented individually, or the entire short-term rental when the entire property or structure is rented as a whole, shall be considered a "hotel or motel room."

OWNER: Any person or persons who has a sufficient proprietary interest in a hotel or motel, in conducting the operation of a hotel or motel room, or receiving the consideration for the rental of such hotel or motel room so as to entitle such person or persons to all or a portion of the net receipts thereof.

PERSON: Any natural person, trustee, court-appointed representative, syndicate, association, partnership, firm, club, company, corporation, business trust, institution, agent, government corporation, municipal corporation, district or other political subdivision, contractor, supplier, vendor, vendee, operator, user, or owner, or any officers, agents, employees, or other representative acting either for themselves or for any other person in any capacity, or any other entity recognized by law as the subject of rights and duties. The masculine, feminine, singular, or plural is included in any circumstances.

Section 3. This ordinance is in addition to all other ordinances on the subject and shall be construed therewith excepting as that part in direct conflict with any other ordinance and, in the event of such conflict, the provisions hereof shall govern.

Section 4. This Ordinance is hereby ordered to be published in pamphlet form by Knoxville City Clerk and said Clerk is ordered to keep at least three (3) copies hereof available for public inspection in the future and in accordance with the Illinois Municipal Code.

Section 5. This Ordinance shall be in full force and effect from and after its passage, approval and ten (10) day period of publication in the manner provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF KNOXVILLE, KNOX COUNTY, ILLINOIS, IN REGULAR AND PUBLIC SESSION THIS ____ DAY OF _____, 2025.

APPROVED:

ATTEST:

Mayor

City Clerk