

CITY OF INDIAN WELLS ADMISSION TAX INFORMATION AND FINANCE CLEARANCE SIGNATURE

The City of Indian Wells requires that an Admission Tax be collected on each admission charge to events in the City. The maximum levy is 10% of the admission charge to the event. Details on this Admission Tax and the process of collection are found in this document and any questions regarding the Admission Tax may be directed to the Finance Department at 760-346-2489. Thank you for your cooperation in working with the City to make events run smoothly and efficiently.

The following information relates directly to the Admission Tax and is taken from Municipal Code Section 3.14.020.

ADMISSION TAX. There is hereby imposed a tax ("Admission Tax") on each Admission Charge to any Event. The Admission Tax is a debt owed by the Patron to the City, which debt shall be extinguished only by payment to the Operator or to the City. The Admission Tax shall be in addition to all other taxes or fees imposed by law. The Admission Tax shall be a maximum of ten percent (10%) of the Admission Charge to an Event. Notwithstanding the maximum amount of the Admission Tax heretofore set forth, for calendar year 2006 the Admission Tax shall be five percent (5%) of the Admission Charge to an Event, and for calendar year 2007 and for each calendar year thereafter, the City Council is authorized to decrease by ordinance or resolution the Admission Tax, or to increase by ordinance or resolution the Admission Tax up to a maximum of ten percent (10%) of the Admission Charge to an Event. In order to decrease or increase the Admission Tax for any calendar year as permitted hereunder, the City Council shall do so on or before January 1 to take effect the following January 1.

Each Operator shall collect the tax imposed by this chapter from any Patron when he or she pays an Admission charge or purchases an Admission ticket or a multiple Event ticket. All taxes collected by Operators pursuant to this Chapter shall be held in a separate bank account in trust for the benefit of the City until payment thereof is made to the City.

EXEMPTIONS TO TAX. An application shall be filed with the Director for exemption from the tax imposed by this chapter if the charge paid for the Event is one specified by this section. The Director may require such information in the application for the certificate of exemption, or in addition hereto, as will enable the Director to determine whether the Admission Charge for which the exemption is sought is eligible therefore.

CITY OF INDIAN WELLS ADMISSION TAX INFORMATION AND FINANCE CLEARANCE SIGNATURE (Continued)

The following Admission Charges shall be exempt when approved by the Director:

Admission Charges for Events by bona fide non-profit organizations such as country clubs, social clubs, tennis clubs, governmental entities and schools;

Admission Charges paid by Event sponsors. Event sponsors shall mean persons who contribute goods, services or money towards the Event and who in return: receive a non-exclusive license to use the Event logo in conjunction with that person's own name or products; or who receive the right to name recognition as an official sponsor in the venue where the Event is held; or receive the right to identify itself as an official sponsor of the Event in advertising and promotional materials; or who are identified by the Event Operator in promotional materials as a sponsor if approved by the Director. Prior to the Event, the Operator shall submit to the Director a list of all sponsors. The list must be approved by the Director to receive an exemption.

CERTIFICATE. Prior to conducting, operating, or maintaining any Event which is subject to this chapter, each Operator shall register with the Director and obtain from him or her an "Admission tax collection certificate" to be at all times posted in a conspicuous place on the premises, or on file with the manager of the Facility.

DEPOSIT. Upon registration, a non-fixed Operator shall make an advance deposit with the Director equal to the estimated amount of the tax to be collected by the Operator as determined by the Director. In lieu of a cash deposit, an Operator may provide a letter of credit in accordance with the City's letter of credit standards as maintained by the Director.

City of Indian Wells Finance Department Review and Signature

The proposed temporary use event is subject to the Admission Tax and said Tax must be collected according to the terms and conditions of Municipal Code Section 3.14.020.

The proposed temporary use event is exempt from payment of the Admission Tax according to the terms and conditions of Municipal Code Section 3.14.020.

**Signature from Official Representative of
Finance Department of the City of Indian Wells**