
Buncombe County Tourism Development Authority
Asheville Area Chamber of Commerce Boardroom

Board Meeting Minutes Excerpts
Wednesday, February 22, 2017

Present (Voting): Jim Muth, Vice Chair; John Ellis, Leah Ashburn, Chip Craig, Gary Froeba, Himanshu Karvir, John Luckett, John McKibbon

Absent (Voting): Paula Wilber, Chair

Present (Ex-Officio): Buncombe County Commissioner Joe Belcher, Asheville City Councilwoman Julie Mayfield

Absent (Ex-Officio): None

BC Finance: Jennifer Durrett

Advertising Agency: No one was present from the Peter Mayer Advertising Agency

CVB Staff: Stephanie Brown, Marla Tambellini, Glenn Cox, Jonna Reiff, Pat Kappes, Dianna Pierce

CVB Staff Absent: Tom Roberson

Guests: Dipak Patel, Plantation Motel
Bob McMurray, Black Mountain/Swannanoa Chamber of Commerce
Jane Anderson, Asheville Independent Restaurant Association
Lew Bleiweis, Asheville Regional Airport
Andrew Celwyn, Herbiary
Lacy Cross, Entegra Bank
Jason Sandford, Ashvegas
Katie Hild, WNC Magazine/Ashvegas
Rich Lee, Edward Jones

Meeting Minutes Excerpts related to Penalty Waiver Request

Plantation Motel Penalty Waiver Request

Ms. Brown said a penalty waiver request has been received from Mr. Dipak Patel with Plantation Motel. She then asked Ms. Durrett to provide background information related to the penalty.

Ms. Durrett said Plantation Motel's penalty, in the amount of \$44.39, was assessed by the Buncombe County Finance Department (BCF) because the envelope that contained

the December 2016 occupancy tax report and check was postmarked on January 26, 2017, which fell after the January 20 deadline. She said BCF has records dating back to 1997 and this is the property's first penalty; meaning the hotel has not submitted a late payment nor incurred a penalty for at least 20 years. The letter and back-up documentation provided by Mr. Patel showed a check register indicating the check was written on January 19, at the same time as a check made out to the NCDOR for December sales tax, with Mr. Patel stating he placed both payment envelopes in the same mailbox located on the property at the same time. He provided documentation showing the NCDOR check cleared on January 24, and did not understand how the occupancy tax envelope could have been postmarked with a different date. Ms. Durrett said the BCF team has increasingly heard this same complaint from other property owners since the postal service ceased processing mail in Asheville and moved operations to Greenville, SC. Mr. Patel was present to answer any questions related to this request, however, none were posed by board members.

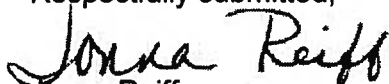
Mr. McKibbon made a motion to approve the request made by Mr. Patel with Plantation Motel to recommend to the Buncombe County Commission that the \$44.39 penalty assessed by the Buncombe County Finance Department be waived. Mr. Ellis seconded the motion. Discussion included Mr. Karvir asking when property owners will be able to make occupancy tax payments online, to which Ms. Durrett replied that in March, the county's IT team will begin to build a new HR and financial system that will take approximately 12 months to complete. She said creating a system to receive online occupancy tax payments will be included in that overhaul.

A vote was then taken and with all in favor, the motion carried 8-0. The CVB staff will forward all related documentation to the Buncombe County Commission for further and final consideration of the penalty waiver.

Next, in order to expedite this process in the future, Mr. McKibbon made a motion to authorize the BCTDA's executive director to review and either deny or recommend to the commissioners for further consideration any future penalty waiver requests received when the amount due totals \$500 or less and it is the property's first late payment offense. This would eliminate the need to bring every request before the BCTDA. Ms. Ashburn seconded the motion. Discussion included Ms. Durrett stating that the Buncombe County Commission simply looks for a recommendation from this body prior to reviewing waiver requests and she felt confident this practice would be acceptable to the commissioners. Commissioner Belcher nodded in agreement. It was also noted that penalties collected are directed to the county's school system and do not benefit the BCTDA.

When the discussion ended, Vice Chair Muth called for action. A vote was taken and with all in favor, the motion carried 8-0.

Respectfully submitted,



Jonna Reiff
Executive Operations Manager

Plantation Motel
2195 Smoky Park Highway
Candler, NC 28715
828-667-1649

February 7, 2017

Buncombe County Tourism Development Authority
36 Montford Avenue
Asheville, NC 28801

RE: Penalty Waiver Request

Dear BCTDA:

I am requesting a waiver of a penalty assessed by Buncombe County Finance in the amount of \$44.39. It was assessed for December 2016 occupancy taxes being postmarked after the January 20th due date.

I wrote check # 7757, payable to Buncombe County Finance Department, for \$295.92, on Thursday, January 19, 2017. This is the same day I wrote a check for sales tax to the NC Department of Revenue.

I placed the envelope with the occupancy tax check and report in the mailbox outside of the office of my property the next morning on Friday, January 20. This was the same time I mailed the envelope with the sales tax check to the NC Department of Revenue.

A mail vehicle picks up the mail daily in the afternoon, around 1:00 p.m.

Yesterday, I received a notice that the envelope sent to Buncombe County Finance was postmarked on January 26, 2017, from Greenville, SC. I do not understand how this happened.

The sales tax check #7758, in the amount of \$345.24, cleared my Wells Fargo bank account on Tuesday, January 24. The occupancy tax check should have cleared about that same time.

I believe the post office made a mistake in processing this envelope, resulting in a late post mark. I ask that you consider waiving this penalty.

I have owned this property since July 1987, and have never had a problem paying occupancy tax on time.

Thank you.

Sincerely,



Dipak Patel

(Mr. Patel asked Jonna Reiff to type this letter for him.)



Finance Department
200 College Street, 4th Floor - Asheville, NC 28801

January 2, 2017

Plantation Motel
2195 Smokey Park Hwy
Candler, NC 28715

The County has received an occupancy tax remittance for December 2016 with a postmark of January 26th, 2017. Per NC General Statute, both the payment and remittance form are required to be postmarked or hand delivered to the Finance Department by the 20th of the month following the sales. Your account has incurred the following penalties per NCGS 105-236(a)(3)-(4):

Failure to file (5%)	\$14.80
Failure to pay tax when due (10%)	<u>\$29.59</u>
Total penalties due	\$44.39

Please remit the total due to the Buncombe County Finance Department. Penalties are assessed per the general statutes and the Finance Department has no authority to waive any penalties. If you would like to request a waiver of the penalty, please contact the Buncombe County Tourism Development Authority at (828) 258-6111 for information on the waiver request process.

If you have any questions or concerns, please contact the Finance Department at (828) 250-4130.

Thank you,

Buncombe County Finance Department



December 2016

**Buncombe County Occupancy Tax
Monthly Remittance Form**

taxes paid by the 20th of each month following the month in which the tax accrues to avoid penalties. Payments and forms can be delivered in person to the Finance Department at 200 College St, 4th floor, or mailed to the Finance Department at PO Box 7526, Asheville, NC 28802. *Any other form of delivery will not be considered appropriate and could result in penalties*

<p>Report for the month of: <u>December 2016</u></p> <p>Account #: <u>7089-0112-9800</u></p> <p>Business/Owner Name: <u>DIPAK PATEL</u></p> <p>Property Name/Location: <u>PLANTATION MOTEL</u></p> <p>Mailing Address: <u>2195 SMOKY PARK HWY</u> <u>CANDLER NC 28715</u></p> <p>Final remittance for property <input type="checkbox"/></p> <p>Date closed: _____</p> <p>Signature: <u>Dipak D. Patel</u></p> <p>Date: <u>1-20-2017</u></p> <p>Print Name: <u>DIPAK PATEL</u></p> <p>Phone #: <u>828-667-1649</u></p>	<p><input type="checkbox"/> No sales subject to Occupancy Tax this period</p> <p>(1) Gross sales for the month: <u>49,320.00</u></p> <p>(2) Less sales that a 3rd party has collected/remitted occupancy tax on: _____</p> <p>(3) Total gross receipts subject to Occupancy tax ((1) - (2)): <u>49,320.00</u></p> <p>(4) Occupancy tax rate: _____ 6%</p> <p>(5) Occupancy tax due: <u>295.92</u></p> <p>(6) Applicable adjustments (penalties, credits, etc): _____</p> <p>(7) Total remitted: <u>295.92</u></p>
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The Buncombe County Occupancy Tax is currently 6% of the gross receipts derived from the rental of any room, lodging or similar place within the County subject to sales tax under NCGS 105-164.4 (a)(3).

Applicable penalties are defined by NCGS 105-236(a)(3) - (4).

- 1) Failure to file the return on the date it is due will result in a penalty equal to 5% of the amount of the tax if the failure is for no more than one month, with an additional 5% for each additional month, or fraction thereof, during which the failure continues, not exceeding 25% in aggregate.
- 2) Failure to pay tax when due, without intent to evade the tax, will result in a penalty equal to 10% of the tax.

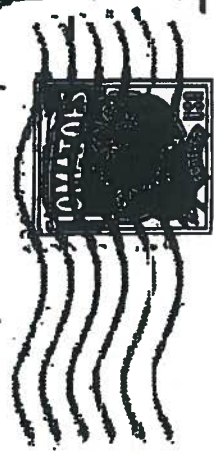
Remittance should be made by check or money order payable to Buncombe County Finance.

Please see the instructions on the next page for assistance in completing the sales/tax portion of this form.

From: PLANTATION MOTEL
2195 Smokey Park Hwy
CANDLER NC 28715

GREENVILLE SC 286

25 JUN 1971 4:14 PM



To:

Buncombe County Finance Department
P.O. Box 7526
Asheville NC 28802

28715-0526 26



7756

DATE 1-17-2017

PAY TO AAA Financial

Services

FOR Motel Supply

TAX DEDUCTIBLE

DEPOSITS		BALANCE BROUGHT FORWARD
TOTAL		
THIS CHECK	925	48
OTHER TRANS +/-		
BALANCE		

7757

DATE 1-19-2017

51891

PAY TO Buncombe County

Finance

FOR Dec 2016 Sales Tax

TAX DEDUCTIBLE

DEPOSITS		BALANCE BROUGHT FORWARD
TOTAL		
THIS CHECK	295	92
OTHER TRANS +/-		
BALANCE		

7758

DATE 1-19-2017

PAY TO North Carolina

Dept of Revenue

FOR Dec 2016 Sales Tax

TAX DEDUCTIBLE

DEPOSITS		BALANCE BROUGHT FORWARD
TOTAL		
THIS CHECK	345	24
OTHER TRANS +/-		
BALANCE		

Wells Fargo Business Choice Checking

Account number [REDACTED] January 1, 2017 - January 31, 2017 Page 1 of 5



DCDN11DTGE 000462



PLANTATION MOTEL
2195 SMOKY PARK HWY
CANDLER NC 28715-9702



Questions?

Available by phone 24 hours a day, 7 days a week:
Telecommunications Relay Services calls accepted

1-800-CALL-WELLS (1-800-225-5935)

TTY: 1-800-877-4833

En español: 1-877-337-7454

Online: wellsfargo.com/biz

Write: Wells Fargo Bank, N.A. (338)

P.O. Box 6995

Portland, OR 97228-6995

Summary of checks written (checks listed are also displayed in the preceding Transaction history)

Number	Date	Amount	Number	Date	Amount	Number	Date	Amount
7743	1/5	170.00	7749	1/10	57.10	7755	1/18	1,240.00
7744	1/3	67.43	7750	1/10	166.88	7756	1/17	925.48
7745	1/3	52.99	7751	1/19	56.57	7758*	1/24	345.24
7746	1/9	930.12	7752	1/17	225.61	7759	1/25	23.60
7747	1/9	98.41	7753	1/18	230.12	7760	1/25	10.00
7748	1/12	25.71	7754	1/20	180.00			

* Gap in check sequence.



Jonna Reiff

From: Jennifer W. Durrett <jennifer.durrett@buncombecounty.org>
Sent: Wednesday, February 08, 2017 11:44 AM
To: Jonna Reiff
Subject: RE: Plantation Motel Penalty Waiver Request

We do not have records before the date I sent.

Jennifer Durrett, CPA
Audit & Financial Reporting Manager
Buncombe County Finance Department
200 College St.
PO Box 7526
Asheville, NC 28802
jennifer.durrett@buncombecounty.org
phone: 828.250.4135 | fax: 828.250.4156

-----Original Message-----

From: Jonna Reiff [mailto:jreiff@exploreasheville.com]
Sent: Wednesday, February 08, 2017 10:17 AM
To: Jennifer W. Durrett <jennifer.durrett@buncombecounty.org>
Subject: RE: Plantation Motel Penalty Waiver Request

Thanks. He said he owned the property since 1987. No records before that, or could it have been under a different name?

-----Original Message-----

From: Jennifer W. Durrett [mailto:jennifer.durrett@buncombecounty.org]
Sent: Wednesday, February 08, 2017 9:49 AM
To: Jonna Reiff <jreiff@exploreasheville.com>
Cc: Stephanie Brown <sbrown@exploreasheville.com>
Subject: RE: Plantation Motel Penalty Waiver Request

Good morning,

Plantation Motel has been remitting occupancy tax to Buncombe County since June 1997. The December 2016 remittance is the first time they have incurred a penalty.

Thank you,

Jennifer Durrett, CPA
Audit & Financial Reporting Manager
Buncombe County Finance Department
200 College St.
PO Box 7526
Asheville, NC 28802
jennifer.durrett@buncombecounty.org
phone: 828.250.4135 | fax: 828.250.4156

-----Original Message-----

From: Jonna Reiff [mailto:jreiff@exploreasheville.com]
Sent: Wednesday, February 08, 2017 9:12 AM

To: Jennifer W. Durrett <jennifer.durrett@buncombecounty.org>
Cc: Stephanie Brown <sbrown@exploreasheville.com>
Subject: Plantation Motel Penalty Waiver Request

Hi Jennifer,

Dipak Patel with Plantation Motel has submitted a penalty waiver request related to his December 2016 occupancy taxes being postmarked late, in the amount of \$44.39. Please reply with the property's payment history to include any prior penalties and/or waivers requested along with any insight you can provide in this matter.

Thank you!

--Jonna



ExploreAsheville.com

February 8, 2017

Mr. Dipak Patel
Plantation Motel
2195 Smoky Park Highway
Candler, NC 28715

RE: Petition to Waive Occupancy Tax Penalty

Dear Mr. Patel:

The Asheville Convention & Visitors Bureau (CVB) staff is in receipt of your letter requesting a waiver of an occupancy tax penalty recently assessed by the Buncombe County Finance Department for Plantation Motel. The penalty was incurred due to the property's December 2016 occupancy tax report and remittance check envelope being postmarked after the due date of January 20, 2017.

In the first of a two-step approval process, your request will be presented to the Buncombe County Tourism Development Authority (BCTDA) at its next regular board meeting, which convenes on Wednesday, February 22, 2017, at 9:00 a.m., in the boardroom of the Asheville Area Chamber of Commerce (36 Montford Avenue, Asheville, NC 28801). I encourage either you or a representative from the property to personally attend the meeting to present the circumstances related to this waiver request and answer any questions. If you haven't already done so, please let Jonna Reiff, executive operations manager for the BCTDA/CVB, know if you or a representative will be in attendance. Ms. Reiff's direct line is 828.258.6111 and her e-mail address is jreiff@ExploreAsheville.com.

Thank you in advance for your response. Please feel free to contact me at sbrown@ExploreAsheville.com or 828.258.6104 if you have any questions in this matter.

With best regards,

A handwritten signature in black ink that reads "Stephanie".

Stephanie Brown, Executive Director
Asheville Convention & Visitors Bureau
For the Buncombe County Tourism Development Authority

cc: BCTDA Board
Jennifer Durrett, BC Finance Department

SB:jr