



April 22, 2016

Darci Wagner
Financial Controller
Country Inn & Suites and 5120 Restaurant
11985 Technology Drive Suite 130
Eden Prairie, MN 55344

Dear Ms. Wagner,

We received your letter requesting abatement of the penalty and interest charge related to a late payment on liquor sales tax for 5120 Restaurant and lodging sales tax for Country Inn & Suites. I have reviewed your letter and the information provided by staff in the Finance Department.

In consideration of the fact that Country Inn & Suites and 5120 Restaurant previously had a history of timely tax payments, I am granting an abatement of the penalties and interest charges owed of \$914.44 and \$25.16.

We appreciate your efforts to pay your tax liability conscientiously and timely. If you have any further questions, please contact Mary Lee in the Finance Department at (952) 563-4763 or myself at (952) 563-8780.

Sincerely,

Jamie Verbrugge
City Manager

cc: Lori Economy-Scholler, Chief Financial Officer
Julie Vogel, Finance Manager
Kari Carlson, Assistant Finance Manager
Mary Lee, Accountant

Lee, Mary

From: Liquor, Lodging, Admission Tax
Sent: Friday, April 22, 2016 10:03 AM
To: Lee, Mary
Subject: RE: Country Inn & 5120 American BLVD

From: Darci Wagner [<mailto:Darci@flanneryhotels.com>]
Sent: Wednesday, April 13, 2016 5:07 PM
To: Liquor, Lodging, Admission Tax
Subject: Re: Country Inn & 5120 American BLVD

Hi

I received invoices 12523 and 12525 for penalties and interest for our February sales tax. Any chance we can get these reversed. It was an error on my end that they didn't get mailed out in time, but we are always very diligent about making sure they usually go out on the 20th. Thank you for your consideration.

LOCAL SALES TAX
PENALTY AND INTEREST CALCULATION

<u>Establishment</u>	Country Inn & Suites
<u>Address</u>	Attn: Darci Wagner 5120 American Boulevard Bloomington, MN 55437
<u>Period Ending</u>	2/29/2016
<u>Due Date</u>	3/25/2016
<u>Date Received</u>	3/28/2016
<u>Days Past Due</u>	3
<u>Tax Amount</u>	\$ 18,129.96
<u>5% Penalty</u>	906.50
<u>10% Penalty (applies if over 30 days late)</u>	0.00
<u>Subtotal</u>	19,036.46
<u>Interest per Day (5% annually)</u>	2.64
<u>Interest charge</u>	7.93
<u>Total Penalties & Interest</u>	\$ 914.44

1001-41404

LOCAL SALES TAX
PENALTY AND INTEREST CALCULATION

Establishment

5120MN

Address

Attn: Darci Wagner
5120 American Boulevard
Bloomington, MN 55437

Period Ending

2/29/2016

Due Date

3/25/2016

Date Received

3/28/2016

Days Past Due

3

Tax Amount

\$ 498.55

5% Penalty

24.93

10% Penalty (applies if over 30 days late)

0.00

Subtotal

523.48

Interest per Day (5% annually)

0.07

Interest charge

0.22

Total Penalties & Interest

\$ 25.16

1001-41404



DATE: May 2, 2016
TO: Jamie Verbrugge, City Manager
FROM: Mary Lee, Accountant *Mary Lee*
CC: Lori Economy-Scholler, Julie Vogel, Kari Carlson
RE: Country Inn & Suites and 5120 Restaurant Liquor & Lodging Tax - Penalty & Interest Abatement

The Country Inn & Suites and 5120 Restaurant are requesting abatement of the assessed penalty and interest charge for their February 2016 Liquor tax in the amount of \$25.16 and Lodging tax in the amount of \$914.44. Darci Wagner, Financial Controller, emailed explaining their negligence to mail the check on time. Sales tax returns and payments for the City of Bloomington are due in the office by the 25th of each month or must be postmarked before the 20th. I recommend that we do abate the penalty for the following reasons:

- This is the first time Country Inn & Suites and 5120 Restaurant has requested abatement for liquor and lodging tax penalties and interest related to late filing of the return and payment.
- That Country Inn & Suites and 5120 Restaurant normally remit their taxes in a timely manner.

Attached is a copy of the email from Ms. Wagner and the invoice sent to the establishment.

I am enclosing a letter for you to sign should you decide to grant the abatement. If you decide to grant the abatement, I will also prepare a consent business "Request for Council Action" form for the next Council meeting. (According to Sec.4.18(c) of the City Code, the City Manager is authorized to abate penalties and report to the City Council at its next regularly scheduled meeting).