Proposed First Reading: September 25, 2026

AN ORDINANCE TO AMEND CHAPTER 146, § 146-4, LEVYING OF TAX

Purpose. This ordinance amends the Town rental tax rates by setting the tax on motel/hotel room or suite rentals at 4%, setting the tax on all other rentals in the Commercial or Residential Zone at 7.5%, and deleting subsection C.

Current Wording

§ 146-4 Levying of tax.

[Amended 9-29-1989; 7-29-1994; 3-22-2002; 12-13-2002; 9-23-2005; 6-22-2018; 5-26-2023]

There is hereby imposed a tax on gross rental receipts as follows:

A. In the Commercial Zone, for the rental of rooms or suites in any motel/hotel, 3.5% tax shall become due and payable to the Town of Fenwick Island, Delaware, as set forth in this article.

B. In the Commercial Zone or Residential Zone for a short-term rental, an 8% tax shall become due and payable to the Town of Fenwick Island, Delaware, as set forth in this article.

C. In the Commercial Zone, a 4% tax shall become due and payable to the Town of Fenwick Island, Delaware, as set forth in this article.

Proposed Redline

Redline key: ~~deleted text~~; added text

§ 146-4 Levying of tax.

[Amended 9-29-1989; 7-29-1994; 3-22-2002; 12-13-2002; 9-23-2005; 6-22-2018; 5-26-2023]

There is hereby imposed a tax on gross rental receipts as follows:

A. In the Commercial Zone, for the rental of rooms or suites in any motel/hotel, ~~3.5%~~ 4% tax shall become due and payable to the Town of Fenwick Island, Delaware, as set forth in this article.

B. In the Commercial Zone or Residential Zone ~~for a short-term rental~~ for the rental of any property not classified as a motel/hotel, an ~~8%~~ 7.5% tax shall become due and payable to the Town of Fenwick Island, Delaware, as set forth in this article.

~~C. In the Commercial Zone, a 4% tax shall become due and payable to the Town of Fenwick Island, Delaware, as set forth in this article.~~