

## Legislation Text

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**File #:** BILL NO. 22-49, **Version:** 1

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An Ordinance amending Section 28-179 of the Code of Ordinances of the City of Lee's Summit by revising the tax rates by land use category for calculation of the License Tax on Building Contractors. (F&BC 3/8/22)

### Issue/Request:

An Ordinance amending Section 28-179 of the Code of Ordinances of the City of Lee's Summit by revising the tax rates by land use category for calculation of the License Tax on Building Contractors.

### Key Issues:

- Annual review of License Tax by Committee and Report to Council is required by ordinance
- License Tax Review Committee recommended an increase to License Tax fees in FY2023 by 10% on commercial and manufacturing / industrial development activities

### Background:

As required by ordinance, the City Staff presented the annual license tax report to the License Tax Review Committee on December 15, 2021 for the period covering FY2021. That committee recommended increasing the fees, subject to approval by City Council.

The license tax fees are included in Section 28-179 of the code of ordinances. If City Council concurs with the committee's recommendation, then the appropriate sections in the Code of Ordinances must be modified to change the fees. If the Finance and Budget Committee approves the changes in fees, then the ordinance will be forwarded City Council as an ordinance forwarded from Committee. If the Finance and Budget Committee does not concur the recommended changes, then the License Tax Report can still be forwarded to Council as a written report during a Staff Roundtable portion of the agenda.

The presentation, report to Council, and proposed changes to the ordinance are attached to this packet. The report provides detailed information required to be reported the License Tax Ordinance (Chapter 28). The meeting notes from the December 15, 2021 are included as an appendix to the report. The presentation provides a higher-level overview of the License Tax revenues, permitting activity, and projections through the year 2030.

### Proposed City Council Motions:

FIRST MOTION: I move for a second reading of An Ordinance amending Section 28-179 of the Code of Ordinances of the City of Lee's Summit by revising the tax rates by land use category for calculation of the License Tax on Building Contractors.

SECOND MOTION: I move for adoption of Ordinance amending Section 28-179 of the Code of Ordinances of the City of Lee's Summit by revising the tax rates by land use category for calculation of the License Tax on Building Contractors.

George Binger, P.E. City Engineer

Staff recommends approval

A motion was made by Councilmember Shields, seconded by Vice Chair Lopez, that TMP-2177 be recommended for approval to the City Council. The motion carried by a unanimous 3-0 vote (Councilmember Edson "Absent").