

AGENDA ITEM

April 15, 2014

Subject: Back to School Sales Tax Holiday

Department: Administration

Section 144.049, RSMo, allows all retail sales of any article of clothing having a retail taxable value of one hundred dollars or less, all retail sales of school supplies not to exceed fifty dollars per purchase, all computer software with a taxable value of three hundred fifty dollars or less, and all retail sales of personal computers or computer peripheral devices not to exceed three thousand five hundred dollars, during a three-day period beginning at 12:01 a.m. on the first Friday in August and ending at midnight on the Sunday following will be exempt from state sales tax law.

Municipalities have the option to opt out of participating in the Back to School Sales Tax Holiday. In order to do so the City Council must pass an ordinance declaring the desire not to participate. A certified copy of the approved ordinance must be sent to the Missouri Department of Revenue 45 calendar days prior to the beginning date of the sales tax holiday occurring in that year.

The City of Nevada has participated in the Back to School Sales Tax Holiday since 2005. In 2013, 163 Missouri cities opted out of the sales tax holiday, including El Dorado Springs, Bolivar, Branson, Carthage, Columbia, Joplin, Neosho, and Springfield.

BILL NO. 2014-027

ORDINANCE NO.

A SPECIAL ORDINANCE OF THE CITY OF NEVADA, MISSOURI, PROHIBITING THE PROVISIONS OF SECTION 144.049 RSMo, FROM EXEMPTING SALES TAX OF CERTAIN ITEMS THAT OCCUR WITHIN THE BOUNDARIES OF THE CITY OF NEVADA, MISSOURI DURING AUGUST 1, 2, AND 3, 2014.

Section 1. The City of Nevada hereby determines that it will prohibit the provisions of Section 144.049 RSMo, from exempting sales of certain clothing, personal computers, certain computer software, and school supplies that occur within the boundaries of said City during the “Back to School Sales Tax Holiday” held during August 1, 2, and 3, 2014.

Section 2. The City Clerk is hereby direct to send written notice to the State of Missouri Department of Revenue as soon as possible, but not less than forty-five (45) calendar days prior to the beginning date of the sales tax holiday of the decision to opt out of the “Back to School Sales Tax Holiday”, by forwarding a cover letter and certified copy of this ordinance.

Section 3. This ordinance shall be in full force and effect from and after its date of passage and approval.

PASSED, APPROVED AND ADOPTED, by the City Council of the City of Nevada, Missouri this 6th day of May, 2014.

(seal)
ATTEST:

Seth Barrett, Mayor

Bev Baker, City Clerk