

AGENDA ITEM

May 17, 2022

Subject: CIP Sales Tax Renewal for November 2022 Election

Department: Administration

The Capital Improvement Tax is set to expire March 21, 2024. This ½ Sales tax generates over \$800,000 annually to help fund:

- Debt payments for the Wastewater Treatment Plant.
- Purchase Public Safety equipment for the Police & Fire departments.
- Storm Water improvements.
- Sidewalks, curbs and gutters improvements

Manager Notes:

- 2022-2023 proposed projects for CIP funds:
 - Sidewalks from Austin Overpass to Walmart
 - Storm water Improvements. North Adams, North Prewitt, North Perkins, Walton Lake

A SPECIAL ORDINANCE CONTINUING THE EXISTING CITY SALES TAX FOR CAPITAL IMPROVEMENTS IN NEVADA, MISSOURI, AND PROVIDING FOR SUCH EXTENSION TO BE SUBMITTED TO THE QUALIFIED VOTERS OF THE CITY.

WHEREAS, the City Council of Nevada, Missouri (the "City"), under the authority of powers given to the City by the provisions of Section 94.577, RSMo, as amended (the "Act"), currently has in effect a city sales tax for capital improvements at the rate of one-half of one percent (½ of 1%) on the receipts from all retail sales within the City which are subject to taxation under Sections 144.010 to 144.525, inclusive, RSMo (the "Capital Improvements Sales Tax"); and

WHEREAS, in 2003, the Capital Improvements Sales Tax was reimposed and extended by twenty (20) years after a favorable vote of the voters of Nevada pursuant to Ordinance 6104 and which extension was effective January 1, 2004; and

WHEREAS, per Ordinance 6104, the Capital Improvements Sales Tax will expire on January 1, 2024, unless otherwise extended by approval of the voters; and

WHEREAS, the City Council has identified a need for further capital projects and thus has determined that it is in the best interests of the City to reimpose, extend and continue the Capital Improvements Sales Tax for the purpose of funding capital improvements, including the operation and maintenance of capital improvements such as storm water facilities, curbs, gutters, sidewalks, storm drains, public safety equipment, and which may include the retirement of debt under previously authorized bonded indebtedness.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEVADA, MISSOURI THAT:

Section 1. Pursuant to the authority of powers given to the City by the provisions of Section 94.577, RSMo, as amended, and such other applicable law, the existing city sales tax for capital improvements at the rate of one-half of one percent (½ of 1%) on the receipts from all retail sales within Nevada, Missouri, is hereby reimposed and extended for the purpose of funding capital improvements, including the operation and maintenance of capital improvements such as storm water facilities, curbs, gutters, sidewalks, storm drains, public safety equipment, and which may include the retirement of debt under previously authorized bonded indebtedness. Such tax shall not be effective until the terms and provisions of this Ordinance have been complied with and shall continue to be imposed from its effective date.

Section 2. The rate of the Capital Improvements Sales Tax shall be reimposed at and shall continue to be one-half of one percent (½ of 1%) on the receipts from all retail sales within Nevada, Missouri, that is now imposed upon all sellers within the City for the privilege of engaging in the business of selling tangible personal property or rendering

taxable services at retail to the extent and in the manner provided by Sections 144.010 to 144.525, inclusive, RSMo, and the rules and regulations of the Director of Revenue of the State of Missouri issued pursuant thereto. The Capital Improvements Sales Tax may be used for any lawful purpose not inconsistent with the authorizing statutes.

Section 3. This Capital Improvements Sales Tax shall be submitted to the qualified voters of the City of Nevada, Missouri, for their approval, as required by the provisions of Section 144.757 RSMo, at the General Election hereby called and to be held in the City on Tuesday, the 8th day of November, 2022 The ballot of submission shall contain substantially the following language:

Shall the City of Nevada reimpose and extend the existing capital improvement sales tax at the rate of one-half of one percent ($\frac{1}{2}$ of 1%) on the receipts from all retail sales of property or services within the City which are subject to taxation for the purpose of funding capital improvements, including the operation and maintenance of capital improvements such as storm water facilities, curbs, gutters, sidewalks, storm drains, public safety equipment, and which may include the retirement of debt under previously authorized bonded indebtedness.

Yes No

INSTRUCTIONS TO VOTERS: If you are in favor of the question, place an X in the box opposite "YES." If you are opposed to the question, place an X in the box opposite "NO."

The City Clerk shall prepare and cause to be forwarded to the Board of Election Commissioners of Vernon County, Missouri, a Notice of Election in compliance with this Ordinance and take such other steps as may be required so that an election may be lawfully conducted. The Board of Election Commissioners of Vernon County shall conduct such election according to the law and certify the results thereof. Said Board of Election Commissioners shall designate such polling places as shall be required for said election and shall appoint such necessary election officials as may conduct thereof. Said Board of Election Commissioners shall be required by law and shall do and perform such other necessary acts as may be required to conduct such election in accordance with the statutes of the State of Missouri and the Ordinances of the City.

Section 4: The capital improvements sales tax shall be continued only upon approval thereof by a majority of the votes cast on the proposal by the qualified voters of the City voting thereon.

Section 5. Within ten (10) days after the approval of this ordinance by the qualified voters of Nevada, Missouri, the City Clerk shall as soon as possible after the election date (but in any event no later than ten (10) days after the election date) forward to the Director of Revenue of the State of Missouri (Taxation Division, Local Tax Unit, P.O. Box 3380, Jefferson City, Missouri 65105-3380) by certified mail a certified copy

of this ordinance together with a certified copy of election results, a copy of the official ballot; a map of the City clearly showing the boundaries; and the name, title, and address to where all future correspondence and distribution payments concerning this capital improvements sales tax should be sent. The capital improvements sales tax hereby imposed shall then become effective on the later of January 1, 2024 or the first day of the first calendar quarter following the City Clerk's notification of the Department of Revenue and shall be levied and collected in the manner provided by the Act, by Sections 32.085 and 32.087, RSMo, as amended, and by all other applicable laws, and shall be used for the purposes hereinabove authorized.

Section 6. This Ordinance shall be in full force and effect from and after its passage and approval.

PASSED, APPROVED, and ADOPTED by the City Council of the City of Nevada, Missouri, this ___ day of _____, 2022.

George Knox, Mayor

(Seal)
ATTEST

Stephanie M. Martin, City Clerk