

BOARD OF ALDERMEN

ITEM NO. C(5)

AGENDA ITEM ABSTRACT

MEETING DATE: June 5, 2007

TITLE: Town Code Amendment Revising Privilege License Fees and Resolution to Adopt Revised Privilege License Fees

DEPARTMENT: Management Services	PUBLIC HEARING: YES ____ NO <u>x</u>
ATTACHMENTS: A. Amendment to Town Code Revising Privilege License Taxes B. Resolution Adopting Revised Privilege Licenses	FOR INFORMATION CONTACT: L. Bingham Roenigk, 918-7439

PURPOSE The Board of Aldermen, at the budget work session of May 8th, reviewed the privilege license gross receipts fees. The Board requested that staff revise the charges for businesses reporting gross receipts of \$100,000 or less. Staff was asked to report back to the Board for approval of the revised fees so that when billing in May 2008, the staff may use the new fee structure. An amendment to the Town Code revises code language so that privilege license fees can be updated annually in the fee schedule and a resolution adopting the revised privilege license fee schedule are presented for board approval.

INFORMATION The Board revisited the gross receipts fee structure on May 8, 2007. The philosophical interest in revising the fee schedule is to minimize the cost burden of small business owners, particularly those that report earnings of \$25,000 or less.

In addition to approving this resolution, Town staff will incorporate these fees into the FY08-09 fee schedule at the time the FY08-09 budget ordinance and fee schedule is approved.

FISCAL IMPACT The revised fee structure will generate an estimated \$575 in additional revenue.

BUSINESSES REPORTING GROSS RECEIPTS \$100,000 OR UNDER IN FY06-07

LICENSE #	# BUSINESSES	CURRENT FEE	PROPOSED	
			BY D. COLEMAN	(LOSS)/ EARNINGS
Tier: 0-25,000 range (\$25)	47	\$ 2,350	\$ 1,175	\$ (1,175)
Tier: 25,001-50,000 range (\$50)	18	\$ 900	\$ 900	\$ -
Tier: 50,001-100,000 range (\$100)	35	\$ 1,750	\$ 3,500	\$ 1,750
GRAND TOTAL IMPACT	100	\$ 5,000	\$ 5,575	\$ 575

STAFF RECOMMENDATION

Approve the amendment to the Town Code and resolution adopting revised privilege license fees.