



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE:	August 1, 2018	☐ Motion
DEPARTMENT:	Finance	☐ Resolution
DIVISION:	Administration	☐ Ordinance - Introduction
		☒ Ordinance - Adoption
		☐ Public Hearing

TITLE:

Yuma City Code Amendment: Chapter 37 Taxation

SUMMARY RECOMMENDATION:

Amend Section 37-02 (F) of the Tax Code of the City of Yuma setting a new repeal date for the two-level tax rate. (Finance/Administration) (Lisa Marlin)

REPORT:

The City Council adopted a two-level tax rate on the sale of tangible personal property over a certain threshold on April 7, 1999 via Ordinance No. O99-22. The result of the two-level tax rate is that the standard sales tax applied to the initial amount of the purchase, but on any amount over the initial threshold, the tax rate is zero percent.

The two-level tax has been renewed several times, most recently by O2015-029 on May 20, 2015. In that action, City Council set the two-level tax threshold at \$35,000.00. This means that the standard City sales tax (1.7%) on the sale of tangible property would only apply to the first \$35,000.00 of the transaction and a tax rate of zero percent would be applied to the value above \$35,000.00. City Council's prior action also ended the two-level tax on June 30, 2018.

This proposed amendment to the Yuma City Code will keep the two-level tax rate at \$35,000.00 and will adopt a new ordinance with a retroactive effective date of July 1, 2018 and a repeal date of June 30, 2021.

FISCAL REQUIREMENTS	CITY FUNDS:	\$0.00	BUDGETED:	\$0.00
	STATE FUNDS:	\$0.00	AVAILABLE TO TRANSFER:	\$0.00
	FEDERAL FUNDS:	\$0.00	IN CONTINGENCY:	\$0.00
	OTHER SOURCES:	\$0.00 \$0.00 \$0.00	FUNDING FOR THIS ITEM IS FOUND IN THE FOLLOWING ACCOUNT / FUND / CIP:	
	TOTAL:	\$0.00		
	FISCAL IMPACT STATEMENT:			
ADDITIONAL INFORMATION	SUPPORTING INFORMATION NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT IS ON FILE IN THE OFFICE OF THE CITY CLERK: 1. 2. 3. 4. 5.			
	IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL? ☐ Department ☐ City Clerk's Office ☐ Document to be recorded ☐ Document to be codified			
SIGNATURES	CITY ADMINISTRATOR:		DATE:	
	Gregory K. Wilkinson		7/10/2018	
	REVIEWED BY CITY ATTORNEY:		DATE:	
	Richard W. Files		7/9/2018	
	RECOMMENDED BY (DEPT/DIV HEAD):		DATE:	
Lisa Marlin		7/2/2018		
WRITTEN/SUBMITTED BY:		DATE:		