

ORDINANCE #65609
Board Bill No. 165
Floor Substitute as Amended

An ordinance under and by the authority of Section 144.757 RSMO. 2000, pertaining to the use tax; submitting to the qualified voters of the City of St. Louis the questions whether the City shall repeal the existing use tax and impose a City use tax at the same rate as the local sales tax, currently at a rate of 2.725 percent, for the purposes of providing public health care services, development and preservation of affordable and accessible housing, demolition of derelict buildings, public safety services, and preservation of neighborhoods; providing that if such question shall receive the votes of a majority of the voters voting thereon that such tax shall be authorized and in effect as and when provided herein and in Section 144.757 RSMO; providing that the tax imposed pursuant to the provisions of this ordinance shall be collected in the same manner and upon the same subjects as the use tax under the provisions of Sections 144.600 to 144.746 RSMO.; amending the provisions of Ordinance 65132 by repealing Section One thereof, upon the passage of the proposition herein contained, and enacting in lieu thereof a new Section One of Ordinance 65132, as such Ordinance pertains to the collections and use of use tax collections; providing for an election and the manner of voting thereat; and containing an emergency clause.

BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:

SECTION ONE. Legislative Findings.

The Board of Aldermen finds and determines as follows:

1. The Board recognizes the need for provision of neighborhood preservation, public safety services, demolition of derelict buildings, development and preservation of affordable and accessible housing and public health care services for all citizens of the City of St. Louis; and
2. Because of the ever increasing demands on the general revenue of the City of St. Louis it is necessary to identify new sources of revenue which can be dedicated to these issues; and
3. The State of Missouri has authorized the City of St. Louis to submit to the qualified voters of the City a proposition to create a use tax on purchases made from out of state vendors which can be used to provide additional funding for these important programs; and
4. The Use Tax previously approved by the voters has resulted in collections that far exceeded the estimates prepared prior to the imposition of such Use Tax; and
5. The proceeds from the bond issue for the demolition of buildings has been exhausted and there still remains additional derelict buildings that are dangerous, health hazards, a blight on the neighborhoods and haven for criminals and need to be removed.
6. The Board believes that the proceeds of the Use Tax should be available for provision of neighborhood preservation, public safety services, the demolition of derelict and unsafe property in the City of St. Louis, as well as for development and preservation of affordable and accessible housing and public health care services, and wishes to submit this question to the qualified voters of the City of St. Louis.

SECTION TWO. Under and by the authority of Section 144.757 RSMo. and 144.761 RSMo. (2000) the use tax imposed by Ordinance 65121 is hereby repealed, subject to the approval of the voters of the use tax imposed and submitted by this ordinance, and there is hereby imposed, subject, however, to the approval of the voters as hereinafter provided, a City use tax at the same rate as the local sales tax, currently at a rate of 2.725 per cent, which includes the capital improvements sales tax and the transportation tax, for the purposes of public health care services, development and preservation of affordable and accessible housing, demolition of derelict buildings, public safety services and neighborhood preservation. Beginning with the fiscal year beginning July 1, 2003 no less than Five Million Dollars (\$5,000,000) of the fiscal year proceeds of any such tax collected shall be dedicated to providing for the development and preservation of affordable and accessible housing and shall be held by the Comptroller in a special account to be known as the Affordable Housing Trust Fund, administered under the provisions of Ordinance 65132 as amended hereby, and no less than Five Million Dollars (\$5,000,000) of the fiscal year proceeds of any such tax shall be dedicated to providing public health care services within the City of St. Louis and such proceeds shall be held by the Comptroller in special accounts to be known as the Affordable Housing Trust Fund and the Health Care Trust Fund, respectively, for the purposes of developing and preserving

affordable housing in the City of St. Louis and providing public health care services within the City of St. Louis. All interest earned by the funds deposited in such Health Care and Affordable Housing Trust Funds shall be retained in such Funds. If the proceeds are insufficient to provide the above dedicated amounts for affordable housing and health care services, then the proceeds shall be distributed equally between affordable housing and health care. Any amounts of such tax collected or estimated for collection, annually, in excess of Ten Million (\$10,000,000) and up to Thirteen Million Dollars (\$13,000,000) shall be dedicated to providing for the demolition of derelict buildings and shall be held by the Comptroller in a special account to be known as the Use Tax Demolition Fund unless and until appropriated by the Board of Aldermen, which appropriation shall be only for the purpose of demolishing derelict buildings, and all interest earned by the funds deposited in the Use Tax Demolition Fund shall be retained in such Fund unless and until appropriated by the Board of Aldermen in accordance with applicable law, for expenditure in accordance with such appropriation; any amount of such tax collected or estimated for collection, annually, in excess of Thirteen Million Dollars (\$13,000,000) shall be dedicated for the demolition of derelict buildings, public safety, neighborhood preservation, development and preservation of affordable and accessible housing and public health care services, and shall be held by the Comptroller in a special account to be known as the Use Tax Excess Trust Fund. All interest earned by the funds deposited in such Use Tax Trust Excess Fund shall be retained in such Trust Fund unless and until appropriated by the Board of Aldermen in accordance with applicable law, for expenditure in accordance with such appropriation. All funds in the Use Tax Excess Trust Fund may be appropriated by the Board of Aldermen for the purposes of providing for the demolition of derelict buildings, public safety, neighborhood preservation, development and preservation of affordable and accessible housing and public health care services, as the Board of Aldermen may hereafter determine, and the appropriation of such collections by the Board of Aldermen for a particular purpose shall evidence such Board's determination of such purpose for the demolition of derelict buildings, public safety, neighborhood preservation, development and preservation of affordable housing and public health care services. Any funds that remain unused or unallocated in the Affordable Housing Trust Fund at the end of the City's fiscal year (including interest, other earned income or repayments of loans) shall remain deposited in and for the use of the Affordable Housing Commission in the next fiscal year. Any funds that remain or unallocated in the other said Trust Funds at the end of the City's fiscal year (including interest, other earned income or repayments of loans) shall remain deposited in said respective Fund where originally deposited for use of Fund purposes in the next fiscal year.

SECTION THREE. The following question is hereby submitted to the qualified voters of the City of St. Louis and shall be voted upon at an election to be held as hereinafter provided. The question shall read as follows:

Shall the City of St. Louis repeal the local use tax imposed by Ordinance 65121 and impose a new local use tax at the same rate as the local sales tax, currently at a rate of 2.725 per cent, which includes the capital improvements sales tax and the transportation tax, for the purposes of providing public health care services, development and preservation of affordable and accessible housing, demolition of derelict buildings, public safety and neighborhood preservation, provided that if any local sales tax is repealed, reduced or raised by voter approval, the respective local use tax shall also be repealed, reduced or raised by the same action? A use tax return shall not be required to be filed by persons whose purchases from out of state vendors do not in total exceed two thousand dollars in any calendar year.

YES NO

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."

SECTION FOUR. The foregoing question shall be submitted to the qualified voters at an election to be held on Tuesday, November 5, 2002, and if the question shall receive in its favor the votes of a majority of the voters voting thereon, the tax shall be authorized and in effect as and when provided in Section 144.757 RSMo. and the tax imposed by Ordinance 65121 shall thereupon be repealed. The qualified voters may, at such election, vote a ballot in substantially the following form:

Shall the City of St. Louis repeal the local use tax imposed by Ordinance 65121 and impose a new local use tax at the same rate as the local sales tax, currently at a rate of 2.725 per cent which includes the capital improvements sales tax and the transportation tax, for the purposes of providing public health care services, development and preservation of affordable and accessible housing, demolition of derelict buildings, public safety and neighborhood preservation, provided that if any local sales tax is repealed, reduced or raised by voter approval, the respective local use tax shall also be repealed, reduced or raised by the same action? A use tax return shall not be required to be filed by persons whose purchases from out of state vendors do not in total exceed two thousand dollars in any calendar year.

YES NO

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."

SECTION FIVE. The provisions of Section 144.757 R.S.Mo. are adopted and incorporated by reference as if fully set forth.

SECTION SIX. No proceeds from the tax, including interest, imposed by this ordinance shall be used in whole or in part for the construction, operation or maintenance of a sports stadium, field house, indoor or outdoor recreational facility, parking facility or anything incidental or necessary to a complex suitable for any type of professional sport, either upon, above or below the ground that was not in existence on the date of the passage of the tax.

SECTION SEVEN. Upon the passage of the question contained in Section Four, hereof, Section One of Ordinance 65132 is hereby repealed and the following provision is enacted in lieu thereof:

The Comptroller shall receive and collect all use taxes distributed by the Missouri Collector of Revenue under Section 144.759 R.S.Mo. and shall deposit and maintain the amount of such tax dedicated as provided below. Beginning with the fiscal year beginning July 1, 2003 no less than Five Million Dollars (\$5,000,000) of the fiscal year proceeds of any such tax collected (or such greater amount as may be appropriated by the Board of Aldermen, or a less amount as provided in the Ordinance if the fiscal years proceeds are less than Ten Million Dollars (\$10,000,000) shall be dedicated to providing for the development and preservation of affordable and accessible housing and shall be held by the Comptroller in a special account to be known as the Affordable Housing Trust Fund, administered under the provisions of Ordinance 65132 as amended hereby.

SECTION EIGHT. The tax imposed pursuant to the provisions of this ordinance shall be a tax on the privilege of storing, using or consuming tangible personal property within the City, if such storage, use or consumption is subject to taxation by the State of Missouri under the provisions of Sections 144.600 to 144.746 R.S.Mo.

SECTION NINE. The Board of Election Commissioners of the City of St. Louis shall provide the ballots or voting machines, or both, and conduct the election and shall ascertain the results thereof according to the laws regulating such elections. Upon approval of this ordinance, it shall be published once in the City Journal. Proof of publication of this ordinance shall be made by affidavit of the City Register and such affidavit shall be filed in the office of the City Register and a copy of said publication shall be attached thereto.

SECTION TEN. This being an ordinance necessary for the immediate preservation of the public peace, health and safety and providing for the submission of a question to the voters, it is hereby declared to be an emergency ordinance as provided for by Article IV, Section 20 of the Charter of the City of St. Louis, and shall be effective immediately upon approval by the Mayor or its approval over his veto.

Approved: August 5, 2002