BILL 2016-40

****** Full Reading ******

Agenda Item

TO: Mayor and City Council

FROM: Mark S. Gaugh, City Manager

DATE: August 15, 2016

RE: Ordinance – Gross Receipts Tax

Issues

The attached ordinance will authorize codification of the Gross Receipts Tax charged by the City to Utilities conducting business within the City of Cameron. This tax has been charged for many years, and we need to update the ordinance and continue the 5% charge on utilities' gross receipts.

Recommendation

Staff recommends that the Council approve the ordinance on Full Reading.

Bill 2016-40

AN ORDINANCE FOR THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI CODIFYING EXISTING ENABLING ORDINANCE AND BUSINESS LICENSE TAX

WHEREAS, the Laclede Gas Company has requested that the City of Cameron ("City") reenact the City's enabling ordinance regarding the business license tax on the gas utility; and

WHEREAS, since on or before July 21, 1952, the City has had in effect a five percent (5%) gross receipt tax on the sale of gas for domestic and commercial purposes within the City as an occupation and license tax for the privilege of and as a franchise condition on engaging in the domestic and commercial gas business within the City; and

WHEREAS, the City desires to codify such business license tax obligation in its Code of Ordinances; and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AS FOLLOWS:

Section 1. Chapter 6, Licenses and Business Regulations, of the Code of the City of Cameron is hereby amended by enacting the following new Article XI:

ARTICLE XI. – Natural Gas

Sec. 6-303. – Occupational and License Tax on Suppliers of Gas.

Every person now or hereafter engaged in the business of supplying natural gas for domestic and commercial purposes within the City of Cameron, Missouri, shall pay to the City in addition to other taxes, an occupational and license tax for the privilege of engaging in the business within the City in the amount of five percent (5%) of gross receipts from such business within the limits of the City, now existing or hereinafter adjusted. Such gross receipt license tax shall be due and payable to the City at the time the Report is due to the City as provided in Section 6-304.

Sec. 6-304. – Report Required.

Licensee shall not later than February 1 and August 1 of each year, report to the governing body of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the City for the six (6) month period ending at the last meter reading preceding December 31 and June 30 respectively.

Sec. 6-305. – Status of License Tax.

The license tax imposed herein shall apply to the fullest extent permitted by law but shall not be deemed to apply to any circumstance or taxpayer where such application is contrary to

Full Reading

state or federal law.

Section 2. The portions of this Ordinance shall be severable. In the event that any portion of this Ordinance is found by a court of competent jurisdiction to be invalid, the remaining portions of this Ordinance are valid, unless the court finds the valid portions of this Ordinance are so essential and inseparably connected with and dependent upon the void portion that it cannot be presumed that the City Council would have enacted the valid portions without the invalid one, or unless the court finds that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the legislative intent.

Section 3. This Ordinance shall take effect and be in full force from and after its passage and approval.

Passed and approved this 15th day of August 2016, by the City Council of the City of Cameron, Missouri, after having been read by title or in full two times prior to passage.

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Mayor Jerri Ann Eddins

ATTEST:

_____
City Clerk/Finance Clerk

Full Reading