



REQUEST FOR BOARD ACTION

BOARD MEETING DATE: Tuesday, February 9, 2021

REVIEWALS:

Finance Director: Completed
City Administrator: Completed
Finance Committee: Completed

SUBJECT: Extending due date for Business License Fees to January 31 of each year

LIST OF ATTACHED REFERENCE DOCUMENTS:

N/A

FISCAL IMPACT:

N/A

BACKGROUND/DISCUSSION: Gross Receipts based Business License payors are required to calculate and pay the upcoming year's fee by December 31 of the previous year. The calculation is based on Gross Receipts from December to November of the preceding 12-month period. For example, the business license fee for calendar year 2021 is equal to December 2019 through November 2020 gross receipts at the rates specified in Section 15-8. Section 15-8 (b) requires payment of business license fee by December 31st. Filers are notifying staff that they are struggling to produce supporting documentation, such as their sales tax return copies, by our current due date because they have not yet received that information from the State.

STAFF RECOMMENDATION: Due to the short time frame between the end of calculation period (November 30) and payment due date (December 31); we recommend changing Section 15-10 for Gross Receipts based Business License payors to coincide with the State's due date of January 31.

MEETING HISTORY:

N/A