

Pub. Imp. _____
Govt. Grnt. _____
Emer. _____
P. Hrngs. _____
Pgs. 4
Filed: 3-8-2010

Sponsored by: O'NEAL

COUNCIL BILL NO. 2010- 074

RESOLUTION NO. _____

JOINT RESOLUTION

1 OPPOSING Joint Resolutions 29, 56, and 71.
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5 WHEREAS, the Missouri General Assembly has pending as proposed legislation
6 three House Joint Resolutions that purport to create a revenue-neutral conversion from
7 a state income tax to a state sales tax; and
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9 WHEREAS, after extensive review by several entities such as the Show- Me
10 Institute, the Missouri Budget Project, and James R. Moody & Associates, the proposed
11 sales tax rate of 5.11% (which is an 18% increase over the current 4.22% state sales
12 tax) is not sufficient to replace existing revenues generated by the state income tax; and
13

14 WHEREAS, the failure to adequately replace income tax revenues with a proper
15 sales tax rate will create severe state budget shortfalls and will also force Missouri
16 municipalities and counties to assume even greater financial burdens in trying to
17 maintain essential services such as (but not limited to): jail funding, street repair and
18 construction, maintaining clean water and clean air program, and providing early
19 childhood, low-income and senior health care services; and
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21 WHEREAS, in addition to the failure of these proposed resolutions to provide
22 adequate state revenue replacement, the proposed taxes will tax previously untaxed
23 private businesses such as new home construction, medical services, nursing home
24 care, legal services, accounting services, and private education tuition; and
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26 WHEREAS, in taxing these businesses and professions, the General Assembly
27 will be placing all Missouri businesses at a competitive disadvantage relative to those
28 businesses in other states, as well as harming Missouri businesses located on our
29 state's borders; and
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31 WHEREAS, in shifting Missouri's tax structure to a sales tax-based system, the
32 County and City are concerned that the volatile nature of sales taxes may create a
33 greater adverse impact on the state and its subdivisions than the current tax structure;
34 and

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WHEREAS, the increase in sales taxes may harm Missouri businesses in that there will be a disincentive for Missouri consumers to buy within this state and likely will increase non-taxed sales through the Internet; and

WHEREAS, in addition to the above-listed issues, there is contained within each bill, a revenue cap on all local governments, including school districts, and removes the ability of citizens to determine the economic future of their local schools, cities, and counties while allowing private special interests to lobby the Missouri General Assembly to exempt their specific business from taxation, all of which cause unknown impacts on Missouri businesses and residents due to the vague and undefined language contained in the three Resolutions; and

WHEREAS, the Springfield City Council, through its previously-adopted 2010 Legislative Policy, has reaffirmed its position that control of municipal issues is a local matter and not an area that should be handled at the state level.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COMMISSION OF GREENE COUNTY AND THE CITY COUNCIL OF THE CITY OF SPRINGFIELD as follows:

That the County Commission and the City Council of Springfield, Missouri hereby oppose, as currently written, House Joint Resolutions 29, 56, and 71 as fiscally irresponsible special interest legislation that seeks to deprive Missouri citizens of their right to maintain local control of their counties, cities, and schools.

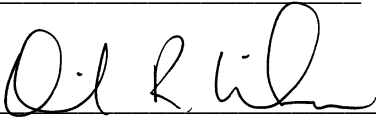
Passed at meeting: _____


James E. O'Neal, Mayor

Dave Coonrod, Presiding Commissioner

Attest: _____, City Clerk

Filed as Ordinance: _____

Approved as to form:  _____, City Attorney

Approved for Council action:  _____, City Manager

Aff. Agcy. Noticed N/A
Emergency Required NO
P. Hrngs. Required NO
Fiscal Note Required NO
Board Rec. Required N/A

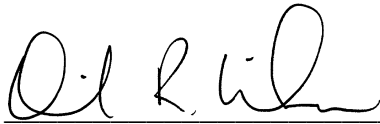
EXPLANATION TO COUNCIL BILL NO. 2010-

ORIGINATING DEPARTMENT: LAW

PURPOSE:

Based on a staff study of House Joint Resolutions 29, 56, and 71, pending as proposed legislation before the Missouri General Assembly, Mayor O'Neal has requested that this be brought before the City Council of the City of Springfield, Missouri.

Submitted by:



City Attorney

Approved by:



City Manager

