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P. Hrngs. \_\_\_\_\_  
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Filed 05-29-18

Sponsored by Hosmer

First Reading \_\_\_\_\_

Second Reading \_\_\_\_\_

COUNCIL BILL 2018- 132

GENERAL ORDINANCE \_\_\_\_\_

AN ORDINANCE

1 AMENDING Springfield City Code, Chapter 70, 'Licenses, Permits and  
2 Miscellaneous Business Regulations,' Article III, 'Administration,  
3 Investigation and Collection Procedures for Licenses, Taxes and  
4 Permits,' Division 3, 'Collection Procedures,' Section 70-151,  
5 'Purpose of Division,' by allowing waiver of collection procedures by  
6 the Director of Finance in specified circumstances.  
7  
8

9 WHEREAS, Springfield City Code, Chapter 70, Article III, Division 3, provides for  
10 collection procedures of City taxes, which include notifying taxpayers of the failure to pay  
11 taxes and assessment of the tax or fee that is due and owing, and making estimates of  
12 the incorrect amount of tax or fee paid by a taxpayer; and  
13

14 WHEREAS, applicability of Division 3 to some taxes and some procedures is not  
15 appropriate or workable, such as when there is not a reliable basis on which to determine  
16 or estimate the amount of a potential underpayment or nonpayment of fees or taxes, and,  
17 therefore, the City Council finds it in the best interests of the City to amend these  
18 procedures to address those circumstances and to allow waiver of such City procedures  
19 where appropriate.  
20

21 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF  
22 SPRINGFIELD, MISSOURI, as follows, that:

23 NOTE: Language to be added is underlined.

24 Section 1 – Chapter 70, Article III, Division 3, Section 70-151 of the Springfield City  
25 Code is hereby amended to read as follows:  
26

27 Sec. 70-151. - Purpose and scope of division.  
28

29 It is the intention of this division to establish administrative procedures for the  
30 collection of city taxes and license fees under this chapter, and to provide for appeal  
31 of administrative decisions in accordance with RSMo Ch. 536. The director may  
32  
33

34 elect to waive any obligation of the City under this division when: (1) the director is  
35 unable to determine the amount of a potential underpayment or nonpayment of city  
36 taxes or license fees; or (2) the director determines that a reasonable estimate  
37 cannot be appropriately made; or (3) the director determines that application of the  
38 administrative procedures is futile or will likely not resolve the enforcement issue.

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40 Section 2 – This Ordinance shall be in full force and effect upon passage.

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42 Passed at meeting: \_\_\_\_\_

43  
44  
45 \_\_\_\_\_  
46 Mayor

47  
48  
49 Attest: \_\_\_\_\_, City Clerk

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51  
52 Filed as Ordinance: \_\_\_\_\_

53  
54  
55 Approved as to form: Franklin Don Rainey II, City Attorney

56  
57 Approved for Council action: Guy Burt, City Manager

**EXPLANATION TO COUNCIL BILL 2018 -132**

FILED: 05-29-18

ORIGINATING DEPARTMENT: Law

PURPOSE: Amending Springfield City Code, Chapter 70, 'Licenses, Permits and Miscellaneous Business Regulations,' Article III, 'Administration, Investigation and Collection Procedures for Licenses, Taxes and Permits,' Division 3, 'Collection Procedures,' Section 70-151, 'Purpose of Division,' by allowing waiver of collection procedures by the Director of Finance in specified circumstances.

BACKGROUND INFORMATION: The Springfield City Code provides collection procedures for City taxes, which include notifying taxpayers of the failure to pay taxes, assessment of the tax or fee that is due and owing, and making estimates of the incorrect amount of tax or fee paid by a taxpayer. However, these procedures are not workable for some types of taxes and procedures, such as when there is not a reliable basis on which to determine or estimate the amount of a potential underpayment or nonpayment of fees or taxes. For example, if a licensee acknowledges it is not paying taxes on certain types of revenue, but refuses to provide the City the amount of revenue, the City cannot effectively determine or estimate the potential underpayment. Or, if the City audits tax payments for a certain period of time, and the audit results suggest underpayment or nonpayment for a longer period of time than the audit period, the City cannot determine or estimate the potential underpayment.

This Council bill, if adopted, would amend the City's collection procedures to address those circumstances, and allow waiver of typical City procedures by the Director of Finance when appropriate.

Submitted by:

Approved by:

  
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Frank Romines, City Attorney

  
\_\_\_\_\_  
Greg Burris, City Manager