



# MEMORANDUM

Council Agenda  
Item No. IX. F.  
9/24/2019

## The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

Ordinance No. 26,255 on final hearing, relating to Taxation; amending the Oklahoma City Sales Tax Code, codified as Article II of Chapter 52 of the Oklahoma City Municipal Code, 2010; enacting Section 52-23.7 of said Article II of Chapter 52; levying a sales tax of one percent (1%) on the gross proceeds or gross receipts derived from all sales taxable under the sales tax laws of the State of Oklahoma; providing a limited term of eight (8) years for such excise tax, which will commence at 12:00 a.m. on April 1, 2020, and end at 12:00 a.m. on April 1, 2028; providing that the sales tax levied by this Section 52-23.7 shall be cumulative to all excise taxes levied by this chapter; providing for codification; and providing an effective date for Sections 1 and 2 of this ordinance, with approval of the ordinance by City voters required.

### Background

Ordinance No. 26,255, as presented today, proposes to levy a sales tax of 1% for a limited term of eight (8) years. The Ordinance further provides for a Citizens Advisory Board to review and make recommendations on such projects as may be assigned to it by the Council.

Other items on today's Council agenda would also: (1) call for a special election for approval of the tax levy, (2) authorize the Mayor to issue a Mayoral Proclamation calling the election, and (3) set the election date for December 10, 2019. The sales tax levy, following approval by the voters on December 10, 2019, will take effect on April 1, 2020.

The Ordinance also provides that the 1% levy is cumulative of all other excise tax levies under of Chapter 52 of the Municipal Code, which means all City other sales tax levies effective as of April 1, 2020. The City's current sales tax rate will not change if Ordinance No. 26,255 by City voters.

It is anticipated that this 1% sales tax will generate a total of approximately \$978 million over its 8-year term.

### Review

Municipal Counselor's Office

Recommendation: Ordinance be adopted.