



MEMORANDUM

Council Agenda
Item No. IX.E.
9/26/2017

The City of OKLAHOMA CITY

INTRODUCED AND SET FOR FINAL
HEARING OCTOBER 10, 2017

TO: Mayor and City Council

FROM: James D. Couch, City Manager

Ordinance No. 25,753 to be introduced and adopted with emergency, amending the Oklahoma City Use Tax Code, codified as Article VI of Chapter 52 of the Oklahoma City Municipal Code, 2010, by the enactment of a new Section 52-218.6 of said Article VI; providing for the levy of an excise tax of one-fourth percent (1/4%) on the storage, use or other consumption of tangible personal property; providing that such excise tax of one-fourth percent (1/4%) shall be in addition to and cumulative of all existing use taxes levied under said Article VI of Chapter 52; providing that the excise tax of one-fourth percent (1/4%) levied by this section shall be effective from and after 12:00 a.m. on January 1, 2018.

(Seven affirmative votes required to declare an emergency).

Background

On June 20, 2017, the Council adopted Ordinance No. 25,750, levying a sales tax of one-fourth percent (1/4%) subject to the approval of the voters of Oklahoma City.

On September 12, 2017, the voters of Oklahoma City approved the one-fourth percent (1/4%) sales tax to be levied pursuant to Ordinance No. 25,750 as adopted by the City Council on June 20, 2017. The collection of this sales tax will commence at 12:00 a.m. on January 1, 2018.

If adopted, This ordinance will put into effect a one-fourth percent (1/4%) use tax rate equal to the voter approved sales tax rate. The collection of the sales tax and its companion use tax will commence at 12:00 a.m. on January 1, 2018.

In order to meet the Oklahoma Tax Commission's deadline to begin collecting the one-fourth percent (1/4%) use tax on January 1, 2018, this item must be adopted with an emergency.

Revenue

This use tax is estimated to generate approximately \$2.9 million annually.

Review

Finance Department

Recommendation: Ordinance be introduced and adopted with emergency.

Attachment