2017 - 2018 Seattle City Council Green Sheet

Ready for Notebook

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Budget Action Title: Pass C.B. 118856 - eliminate the international investment management

services category for the City's Business & Occupation tax.

Ongoing: Yes

Has CIP Amendment: No Has Budget Proviso: No

Primary Sponsor: Sawant, Kshama

Councilmembers:

Staff Analyst: Erik Sund

Council Bill or Resolution: 118856

Date		Total	SB	ТВ	LG	ВН	LH	RJ	DJ	MO	KS
	Yes										
	No										
	Abstain										
	Absent										

Summary of Dollar Effect

See the following pages for detailed technical information

	2017 Increase (Decrease)	2018 Increase (Decrease)		
General Subfund				
General Subfund Revenues	\$2,000,000	\$2,100,000		
General Subfund Expenditures	<u>\$0</u>	<u>\$0</u>		
Net Balance Effect	\$2,000,000	\$2,100,000		
Total Budget Balance Effect	\$2,000,000	\$2,100,000		

Budget Action description:

This green sheet would approve passage of C.B. 118856, which would eliminate the rate tier provided under the SMC 5.45.050(F) for international investment management services, effective January 1, 2017. This tier was established in 2009 by Ordinance 123099 and provides a tax rate of 0.153% of gross receipts for 2017, increasing to 0.155% for 2018 and beyond. If this tier were eliminated, businesses currently eligible for this rate would be captured by the "other business activity" tier, which provides a rate of 0.423% of gross receipts in 2017, increasing to 0.427% beginning January 1, 2018. This would generate an estimated \$2.0 million of additional GSF revenue in 2017 and \$2.1 million in 2018.

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Budget Action Transactions

Budget Action Title: Pass C.B. 118856 - eliminate the international investment management services category for the City's Business & Occupation tax.

#	Transaction Description	Position	Number	FTE	Dept	BCL or Revenue	Summit	Fund	Year	Revenue	Expenditure
		Title	of			Source	Code			Amount	Amount
			Positions								
1	Increase General Subfund				GSF	Business &	416100	00100	2017	\$2,000,000	
	revenues by \$2,000,000 in					Occupation Tax					
	2017					(100%)					
2	Increase General Subfund				GSF	Business &	416100	00100	2018	\$2,100,000	
	revenues by \$2,100,000 in					Occupation Tax					
	2018					(100%)					