

Amendment 15 Version 1 to CB 121028 - B&O Tax Ordinance

Sponsor: Councilmember Hollingsworth

Limit some net revenue to support only existing programs

Effect: CB 121028 would establish the allowable uses for the net revenue generated by the restructure of the Business and Occupation Tax (B&O). Allowable uses include supporting City investment in six program areas: food access, gender-based violence, small business support, emergency shelter, homelessness prevention and support for worker's rights and protections. This amendment would limit use of net revenue to existing programs already receiving funding from the JumpStart Payroll Expense Tax Fund or GF in those six areas.

Amend subsection 5.B.2 of CB 121028 as follows:

A. Proceeds of the business and occupation tax will continue to be deposited into the City's General Fund. The increases in business and occupation tax rates authorized in Section 1 of this ordinance shall be dedicated for the uses described in subsections 5.B and 5.C of this ordinance. At least three months prior to the Mayor submitting the annual budget, the Executive shall consult with the City Council on the impact of actual and anticipated revenue reductions and federal funding cuts on the programs identified in subsections 5.B and 5.C of this ordinance to inform how the new revenue generated by this ordinance is to be utilized. The Mayor shall submit to the City Council at the same time the budget is transmitted a written proposed plan outlining how the new revenue generated by this ordinance is to be utilized in these areas.

B. The proceeds shall be used:

1. For the business and occupation tax threshold lift and deduction for small businesses.
2. ~~((To fund City General Fund investments))~~ To pay for programs or activities that receive City General Fund or JumpStart Payroll Expense Tax Fund (JumpStart Fund) appropriations as of the effective date of this ordinance, in the following program areas:
 - a. Food access;
 - b. Gender-based violence;
 - c. Small business supports;

- d. Emergency shelter;
- e. Homelessness prevention; and
- f. Support for workers' rights and protections.

C. Up to \$30 million in proceeds may be used:

1. For implementation costs and ongoing administration of the tax.
2. To mitigate the impact of federal funding reductions in the following program areas:
 - a. Housing stability for low-income tenants;
 - b. Food insecurity;
 - c. Financial stability for affordable housing providers and properties; and
 - d. Emergency shelters and homelessness.