

**CITY OF JOPLIN  
COUNCIL AGENDA ITEM**

**ITEM**

Council Bill 2022-522 – reaffirming the gross receipts tax to be imposed upon electric corporations conducting business within the City and matters relating thereto.

**MEETING DATE**

June 20, 2022

**ORIGINATING DEPARTMENT**

Finance

**ATTACHMENTS**

Council Bill 2022-522 Ordinance

**REVIEWED BY**

Director of Finance: Leslie Haase; City Attorney: Peter Edwards; City Manager: Nicholas Edwards.

**SUMMARY**

This Council Bill reaffirms the gross receipts tax to be imposed upon electric corporations conducting business within the City.

**BACKGROUND**

The Missouri Public Service Commission (PSC) has granted a tariff increase of 7.38 percent to The Empire District Electric Company d/b/a Liberty (“Liberty”). Tariff increases in excess of 7 percent trigger certain requirements under Section 393.275.1, RSMo. to either roll back the rate of gross receipts taxes imposed by cities on Liberty or to pass an ordinance maintaining the existing rates despite the increase in the gross receipts to Liberty as a result of the tariff increase.

The statute requires cities to roll back the rate of the gross receipts tax within 60 days of the effective date of the tariff increase unless such cities pass an ordinance to maintain the existing rate. The PSC has established the effective date of the tariff increase granted to Liberty as June 2, 2022, and 60 days from that date is August 1, 2022.

This Council Bill reaffirms the gross receipts tax to be imposed upon electric corporations, including but not limited to Liberty, pursuant to Section 30-143 of the Joplin City Code, to be maintained at the existing rate of six (6) percent.

**FUNDING SOURCE**

N/A

**RECOMMENDATION**

Staff recommends adoption of this Council Bill on First Reading.

COUNCIL BILL NO. 2022-522

ORDINANCE NO.

AN ORDINANCE reaffirming the gross receipts tax to be imposed upon electric corporations conducting business within the City and matters relating thereto.

WHEREAS, the Missouri Public Service Commission (PSC) has granted a tariff increase of 7.38 percent to The Empire District Electric Company d/b/a Liberty (“Liberty”); and

WHEREAS, tariff increases in excess of 7 percent trigger certain requirements under Section 393.275.1, RSMo. to either roll back the rate of gross receipts taxes imposed by cities on Liberty or to pass an ordinance maintaining the existing rates despite the increase in the gross receipts to Liberty as a result of the tariff increase; and

WHEREAS, Section 393.275.1, RSMo. requires cities to roll back the rate of the gross receipts tax within 60 days of the effective date of the tariff increase unless such cities pass an ordinance to maintain the existing rate; and

WHEREAS, the PSC has established the effective date of the tariff increase granted to Liberty as June 2, 2022, and 60 days from that date is August 1, 2022.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, as follows:

Section 1. The gross receipts tax imposed upon electric corporations, including but not limited to The Empire District Electric Company d/b/a Liberty, pursuant to Section 30-143 of the Joplin City Code, shall be maintained at its existing rate of six (6) percent, despite the tariff increase awarded by the PSC to Liberty effective on June 2, 2022.

PASSED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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Douglas W. Lawson, Mayor

ATTEST:

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Holly Nagy, City Clerk

APPROVED AS TO FORM:

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Peter C. Edwards, City Attorney