

**CITY OF JOPLIN
COUNCIL AGENDA ITEM**

ITEM

Council Bill 2023-503 – Reaffirming the gross receipts tax to be imposed upon gas corporations conducting business within the City and matters relating thereto.

MEETING DATE

February 6, 2023

ORIGINATING DEPARTMENT

Finance

ATTACHMENTS

Council Bill 2023-503 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 gas corporations conducting business within the City.

BACKGROUND

The Missouri Public Service Commission (PSC) has granted a tariff increase in excess of 7 percent to Spire Missouri, Inc. d/b/a Spire (“Spire”). 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 Spire or to pass an ordinance maintaining the existing rates despite the increase in the gross receipts to Spire 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 Spire as December 26, 2022, and 60 days from that date is February 24, 2023.

This Council Bill reaffirms the gross receipts tax to be imposed upon gas corporations, including but not limited to gas, 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 an emergency basis to comply with State Statute.