

CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
JULY 5, 2023 AGENDA

Subject:	Type:	Submitted By:
CONTINUATION OF THE ½ PERCENT SALES TAX	RESOLUTION ◆ ORDINANCE RECEIVE/FILE	PAM BUETHE CITY CLERK

SYNOPSIS

An ordinance has been prepared authorizing the continuation of the ½ percent sales and use tax originally imposed on October 1, 1990 and continued August 1, 2000, for an additional fifteen-year period beginning July 1, 2010 and continuing until July 1, 2025 and for an additional 30 years beginning July 1, 2025 and continuing until July 1, 2055.

FISCAL IMPACT

The ½ percent local option sales and use tax currently generates an average of \$2.6 million annually for major street improvement projects and other capital improvements.

RECOMMENDATION

Approval.

BACKGROUND

In December of 1984, the City established a one- percent local option sales tax, which continues in perpetuity, and funds are used for the day-to-day cost of providing city services, such as police, fire, and public works.

On June 19, 1990, by Ordinance 504, the City adopted an additional ½ percent local option sales tax, following a successful referendum. The referendum included a “sunset” or end date of the ½ percent option on July 31, 2000. Those funds were dedicated by the City Council to be used for major street improvement projects and other capital improvements.

On November 3, 1998, the voters approved continuation of the ½ percent local option sales tax for an additional ten-year period. On January 19, 1999 by Ordinance 759 the City adopted the continuance of the additional ½ percent local option sales tax for an additional ten year period. On May 13, 2008 a referendum was passed by the voters to continue the additional ½ percent sales and use tax for an additional fifteen years. On August 19, 2008, by Ordinance 1071 the City adopted the continuance of the additional ½ percent local option sales tax for an additional fifteen year period.

On November 8, 2022 the voters approved continuation of the ½ percent local option sales tax for an additional thirty year period to be dedicated to major street improvement projects and other capital improvements.

ORDINANCE NO. _____

AN ORDINANCE CONTINUING THE TWO PERCENT (2 %) CITY SALES AND USE TAX ON ALL TRANSACTIONS WITHIN THE CITY OF LA VISTA AND WHICH THE STATE OF NEBRASKA IS AUTHORIZED TO IMPOSE A TAX; TO PROVIDE FOR THE EFFECTIVE DATE OF SUCH TAX; TO PROVIDE FOR THE ADMINISTRATION OF SUCH TAX; TO PROVIDE FOR THE SUNSET DATE OF THE ONE-HALF PERCENT ($\frac{1}{2}$ %) LOCAL OPTION SALES TAX PORTION OF SUCH SALES AND USE TAX; TO PROVIDE FOR SEVERABILITY; AND TO PROVIDE FOR THE EFFECTIVE DATE HEREOF.

WHEREAS, on November 20, 1984, the governing body of the City of La Vista passed Ordinance No. 363, imposing a perpetual one percent (1%) city sales and use tax on all transactions with the City of La Vista on which the State of Nebraska is authorized to impose a tax, which sales and use tax took effect on April 1, 1985; and

WHEREAS, on June 19, 1990, the governing body of the City of La Vista passed Ordinance No. 504, imposing an additional sales and use tax on one-half of one percent ($\frac{1}{2}$ %), effective October 1, 1990 and continuing until July 31, 2000; and

WHEREAS, on January 19, 1999, the governing body of the City of La Vista passed Ordinance No. 759, imposing for another ten-year period the additional sales and use tax of one-half of one percent ($\frac{1}{2}$ %), effective August 1, 2000 and continuing until July 31, 2010; and

WHEREAS, on November 21, 2000, the governing body of the City of La Vista passed Ordinance No. 822B to amend Sections 2 and 4 of Ordinance No. 759 to correct the sunset date for the one-half percent sales tax from July 31, 2010 to July 1, 2010 to conform said dates to Neb. Rev. Stat. Section 77-27,143.

WHEREAS, on August 19, 2008, the governing body of the City of La Vista passed Ordinance No. 1071 imposing for a fifteen-year period the additional sales and use tax of one-half percent (1/2%), effective July 1, 2010 and continuing until July 1, 2025

WHEREAS, by a majority vote of the qualified electors voting at the general election held November 8, 2022, the governing body of La Vista was authorized to continue the additional one half of one percent ($\frac{1}{2}$ %) sales and use tax originally imposed on October 1, 1990 and continued August 1, 2000 and continued on July 1, 2010, and continued for an additional thirty-year period beginning July 1, 2025; and

NOW THEREFORE BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF LA VISTA, SARPY COUNTY, NEBRASKA.

Section 1. Continuation of Tax. The one-half of one percent ($\frac{1}{2}$ %) additional sales and use tax imposed under Ordinance No. 504 and continued under Ordinance No. 759, as amended, and continued under Ordinance No. 1071 upon the same transactions within the corporate limits of the city of La Vista on which the State of Nebraska is authorized to impose a tax pursuant to the provisions of Nebraska Revenue Act of 1967, as amended from time to time, is hereby continued for an additional thirty (30) year period.

Section 2. Effective Date of Tax. The continuation of the additional one-half percent ($\frac{1}{2}$ %) sales and use tax herby originally levied under Ordinance No. 504 and continued under Ordinance No. 759, as amended, and continued under Ordinance No. 1071 shall take effect upon expiration of the current term of the levy of such tax, to wit on July 1, 2025 and shall apply to all taxable transactions on and after that date within the corporate limits of the City of La Vista, as said corporate limits may from time to time thereafter be constituted.

Section 3. Use of Revenue. All revenue generated by the additional one-half of one percent ($\frac{1}{2}$ %) sales and use tax imposed under Ordinance 504, continued under Ordinance No. 759, as amended, continued under Ordinance No. 1071 and continued by this Ordinance shall be used for major street improvement projects and other capital improvements.

Section 4. Sunset Date for Additional One-Half Percent ($\frac{1}{2}$ %) Local Option Sales Tax. The one-half percent ($\frac{1}{2}$ %) additional sales and use tax originally imposed under Ordinance No. 504, continued under Ordinance 759, as amended, continued under Ordinance 1071; and continued for an additional thirty years pursuant to this Ordinance shall end on July 1, 2055 unless a majority of the qualified electorate approve an extension thereof pursuant to the Local Option

Revenue Act, §§77-27,142 to 77-27, 148 Revised Statutes of Nebraska, as amended from time to time.

Section 5. Administration. The administration of the sales and use tax imposed hereby, the making of a return for ascertainment, assessment and collection and for the distribution of the taxes so imposed shall be as provided in the Local Option Revenue Act, §§77-27,142 to 77-27, 148 Revised Statutes of Nebraska, as amended from time to time.

Section 6. One Percent City Sales and Use Tax Unaffected. The one percent (1%) City sales and use tax imposed under Ordinance No. 363 is perpetual and unaffected by this Ordinance.

Section 7. One-half Percent City Sales and Use Tax Unaffected. The one-half per cent (1/2%) City sales and use tax imposed under Ordinance No. 1215 which began October 1, 2014, shall continue for a period of ten years after its effective date, unless bonds at any time are issued and some or all of the additional revenues from this additional tax are pledged for payment of said bonds, in which case the increased sales and use tax rate of an additional one-half of one percent (1/2%) shall remain in effect and additional revenues will be collected until payment in full of said bonds and any refunding bonds, whichever date is later, and is unaffected by this Ordinance.

Section 8. Effective Date of this Ordinance. This ordinance shall take effect and be fully enacted upon passage, approval and publication as provided by law. The tax hereby imposed shall take effect as provided in Section 2 hereof.

Section 9. Severability Clause. If any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional or invalid, such unconstitutionality or invalidity shall not affect the validity of the remaining portions of the Ordinance. The Mayor and City Council of the City of La Vista hereby declare that it would have passed this Ordinance and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

PASSED AND APPROVED THIS 5TH DAY OF JULY 2023.
CITY OF LA VISTA

Douglas Kindig, Mayor

ATTEST:

Pamela A. Buethe, MMC
City Clerk