

Putting it to use.

LOCAL USE TAX | VOTE NOVEMBER 7

what if I vote YES?

- Allows continued collection of up to \$600,000 in existing vehicle sales taxes- revenue the City has relied on for 40-50 years.
- Adds an estimated \$200,000-\$400,000 to revenue for vital city services like police, fire and public works.
- Creates a level playing field for licensed Grandview dealerships with out-of-state dealers, thus keeping business in Missouri.

what if I vote NO?

- May eliminate up to \$600,000 annually from City budget as of Nov. 2018.
- Possible reduction of personnel and services like public safety and public works.
- City continues to lose sales tax revenue to online shoppers.
- Sales volume at local retailers continues to decline as online sales increase, which could jeopardize the future of Grandview retailers.

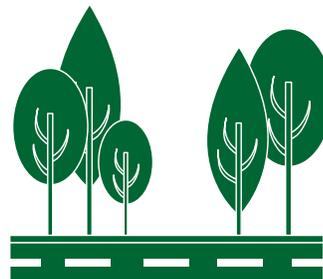
what can the City do with this revenue?

\$200,000-\$400,000 CAN HELP FUND:



INCREASED PUBLIC SAFETY
PERSONNEL AND/OR SERVICES

OR



3-7 MILES of
STREET
IMPROVEMENTS

Your questions answered at

buildingtomorrowcommunity.com



LOCAL USE TAX ELECTION **FAQs**

▶ **What is a Use Tax?**

The local use tax is a sales tax imposed on the purchase of goods by Missouri residents from out-of-state vendors **ONLY**, those who don't charge sales tax on purchases. If approved, the use tax rate mirrors the local sales tax rate.

▶ **What's the difference between a sales tax and a use tax?**

The Missouri legislature is requiring every city to have voters approve **EITHER** a local use tax or out-of-state motor vehicle sales tax by November 2018 or lose vehicle sales tax revenues. A use tax would also apply to online sales, something our sales tax can't do.

Sales and use taxes **WILL NOT** and **CAN NOT** be applied at the same time. Shoppers would still pay 2.5% sales tax (Grandview's rate) at local retailers **OR** pay 2.5% use tax on purchases made online to out-of-state businesses with a physical presence in Missouri (Target, Amazon, Walmart, etc.).

▶ **Is this a new tax?**

The City has collected a sales tax on vehicles and boats purchased out of state for 40-50 years. If the use tax isn't approved by voters, the City would no longer be able to collect that sales tax starting in November of 2018, a deadline determined by the state legislature.

A use tax would be a new way of applying our existing sales tax. The City would be able to collect a use tax on online or catalog sales from out-of-state businesses which also have a physical presence in the state, like a big box or discount store; or ones agreeing to collect a use tax, like Amazon.

**IF APPROVED, COULD ADD
\$200,000-\$400,000
TO ANNUAL CITY REVENUE
FROM ONLINE SALES.**

▶ **Do other cities have a use tax?**

More than 130, including:

- Kansas City, MO
- Peculiar, MO
- Gladstone, MO
- Sedalia, MO
- St. Joseph, MO
- Clinton, MO
- Excelsior Springs, MO

Other metro area cities are considering a use tax in 2018.

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