IMPARTIAL ANALYSIS BY CITY ATTORNEY

CITY OF BRISBANE MEASURE T

Ballot Measure T was placed on the ballot by the City Council and proposes the adoption of an increased business license tax for liquid storage facilities in the City of Brisbane.

The City of Brisbane currently imposes a business license tax on any business that is located in the City, pursuant to Chapter 5.20 of the Brisbane Municipal Code. Liquid storage facilities currently pay a business license tax that is based on either gross receipts or number of employees, whichever produces the larger tax. The 2012 business license tax paid by liquid storage facilities in the City of Brisbane was approximately $1,056. The business license tax is a general tax, and the tax proceeds are deposited into the City's general fund and may be used for any municipal purpose.

The proposed amendment to the business license tax ordinance would set an increased rate of up to $115.28 per 1,000 cubic feet of liquid storage capacity. The actual annual tax rate would be established by Council resolution, and the increased tax rate could be, but is not required to be, phased in. The tax due from liquid storage facilities would be reduced, on a dollar for dollar basis, for sales tax received as the result of sales from the liquid storage facilities by either the operator of the liquid storage facility or other persons using the liquid storage facility as the point of sale.

When fully implemented, the effect of the increased business license tax for liquid storage facilities is anticipated to increase tax revenues by approximately $400,000 based on the capacity of current liquid storage facilities in the City of Brisbane. The tax cannot be increased in the future without voter approval.

A "Yes" vote is a vote in favor of increasing the business license tax on liquid storage facilities. A "No" vote is a vote against increasing the business license tax on liquid storage facilities. A majority of "Yes" votes is required for the ballot measure to pass.

A complete copy of the proposed ordinance is printed in this ballot pamphlet.

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