

Local Use Tax

on the ballot April 3, 2018

If I vote YES?

- Ensures out-of-state purchases are taxed at the same rate as local businesses.
- Adds an estimated \$1.5 million in additional revenue for vital city services like police, fire and public works.
- Allows the City to increase efforts on blight removal, infrastructure improvements, public safety and economic development.

If I vote NO?

- Sales at local retailers continue to decline as out-of-state sales increase, which could reduce local jobs and negatively impact locally owned businesses.
- Possible reduction of personnel and services like public safety and public works.
- Local businesses continue to lose sales to online shoppers.

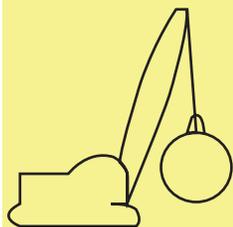
In 2017-18 the City spent...



On park maintenance and repairs.



To hire 16 police officers.



To remove dangerous buildings.

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 use tax?

A use tax applies only 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 2.25% sales tax (Independence's rate) at local retailers OR pay 2.25% 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?

A use tax would be a new way of applying our existing voter approved sales taxes for streets, parks, fire, police, storm water and general services. 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.

