

GENERAL

Ordinance Fact Sheet

Ordinance Number

Brief Title

Approval Deadline

Reason

Adopting the Show-Me Green Sales

Tax Holiday for City Sales Tax on ENERGY STAR® Appliances

Opting into the sales tax holiday for ENERGY STAR® appliances will help residents save money & energy

Details

Positions/Recommendations

Reason for Legislation

In 2008 the Missouri General Assembly enacted the "Show-Me Green Sales Tax Holiday" and authorized political sub-divisions of the State of Missouri to participate in the program by exempting such purchases from local sales tax through adoption of ordinances each year and notification to the Missouri Department of Revenue at least 45 days in advance of April 19.

In order to "opt in" to the 2020 Show-Me Green Sales Tax Holiday, the City must adopt an ordinance and notify the MO Dept. of Revenue no later than March 5, 2020.

Sponsor

Councilwoman Shields

Programs, Departments, or Groups Affected

Anyone who purchases an eligible ENERGY STAR® appliance in Kansas City, MO from April 19 thru April 25, 2020 will be exempt from City sales tax

Applicants / Proponents

Applicant

City Department
Office of Environmental Quality

Other

Opponents

Groups or Individuals

None Known
Basis of opposition

Staff Recommendation

For

Against

Reason Against

Board or Commission Recommendation

By

For Against No action taken

For, with revisions or conditions
(see details column for conditions)

Council Committee Actions

Do pass

Do pass (as amended)

Committee Sub.

Without Recommendation

Hold

Do not pass

Discussion

The state's sales tax holiday lasts from April 19 - 25 each year.

The list of ENERGY STAR® appliance purchases (up to \$1,500 per appliance) that are exempt from sales tax include:

- clothes washers
- clothes dryers
- water heaters
- dishwashers
- air conditioners
- furnaces
- refrigerators
- freezers
- heat pumps

In addition, once ovens, ranges, stoves, and trash compactors are rated under the ENERGY STAR® system, they will also be eligible for state and local exemptions during the annual sales tax holiday.

On January 15, 2009, City Council adopted Ordinance No. 090011 authorizing the City's participation in the State of Missouri's "Show-Me Green Sales Tax Holiday" to exempt the purchase of certain ENERGY STAR® rated appliances from the payment of city and state sales tax during the period of April 19 - 25, 2009. Similar ordinances were adopted in 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, and 2019.

In 2019, several other area local governments opted in to the sales tax holiday: Belton, Gladstone, Lee's Summit, Liberty, Platte City, Raymore, and Jackson, Cass, Clay, and Platte Counties.

Details

Is it good for the children?
 Yes -- the use of ENERGY STAR® appliances reduces energy consumption. Since most of the electricity used in Kansas City is produced by power plants fueled by coal, reductions in energy use also reduces greenhouse gas (GHG) emissions and other air pollutants emitted from the combustion of coal.

How will this contribute to a sustainable Kansas City?
 Reducing energy consumption is one of the most significant ways to achieve the goals of Kansas City's Climate Protection Plan. Use of ENERGY STAR® appliances not only reduces energy use and GHG emissions, they save money on our utility bills. Eliminating sales tax on ENERGY STAR® appliances during the week-long Show-Me Green Sales Tax Holiday allows Kansas City residents to save money on their purchase of these energy-saving devices. Hopefully, this will also help the local economy by encouraging additional purchases of ENERGY STAR® appliances in Kansas City during the sales tax holiday period.

Policy/Program Impact

Policy or Program Change	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes This continues a policy that was adopted by the Mayor & City Council in 2009
Operational Impact Assessment	

Finances

Cost & Revenue Projections -- Including Indirect Costs	It's not possible to project the amount of sales tax revenues that the City will forego on the purchase of ENERGY STAR® appliances during the week of April 19 - 25, 2020
Financial Impact	
Fund Source (s) and Appropriation Account Codes	19__ Budget, Page ____ Unbudgeted, Appropriation ____ Fund 00-000-00-0000-A0000

(Use this space for further discussion, if necessary)

Applicable Dates:

Fact Sheet Prepared by:

Andy Savastino
 Chief Environmental Officer

Date -- January 24, 2020

Reviewed by:

Date --

Reference Numbers