

NOTICE OF OPEN MEETING

Posted 3:00 p.m., May 22, 2025

Notice is hereby given that the Neosho City Council will meet in regular session on Friday, May 23, 2025 at 3:00 p.m., in the Council Chambers at City Hall 203 East Main Street, Neosho, Missouri.

AGENDA REGULAR SESSION NEOSHO CITY COUNCIL

The agenda of this meeting includes:

CALL TO ORDER

ROLL CALL

NEW BUSINESS

1. Bill No. 2025-35: Approving 3% Local Use Tax:...UNDER EMERGENCY MEASURE...1st, 2nd, and 3rd Readings

ADJOURN

REQUESTED COUNCIL MEETING DATE: May 23, 2025

ITEM: Bill No. 2025-35: Approving 3% Local Use Tax:...UNDER EMERGENCY MEASURE...1st, 2nd, and 3rd Readings

ORIGINATING DEPARTMENT: City Clerk

ATTACHMENT:

- 1. Bill No. 2025-35 Approving the Question of 3% Local Use Tax Under Emergency Measure**
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PURPOSE:

To discuss placing Use Tax on the August 5th election, under an emergency measure.

BACKGROUND:

To review the ordinance as presented for the August 5th ballot.

RECOMMENDATION:

Request Council's approval for Bill No. 2025-35 under emergency measure.

AN ORDINANCE of the City of Neosho, Missouri, submitting to the electors of the City of Neosho, at an election on Tuesday August 5, 2025, the question of whether the City shall impose a local use tax at the same rate as the total local sales tax, currently three percent (3%) on all retail sales subject to taxation pursuant to the provisions of Sections 144.600 through 144.761 RSMo; providing for the use tax to be reduced or raised in the same amount as any City sales tax is reduced or raised; and imposing a local use tax of 3% on all retail sales subject to taxation pursuant to Section 144.757 RSMo, upon the approval of a majority of the qualified electors voting; and prescribing a form of ballot thereof; taken up under emergency measure.

WHEREAS, out-of-state vendors are not currently required to collect a local tax on goods sold to residents of the City of Neosho and this creates an unfair advantage for out-of-state vendors over local vendors who are required to collect a local tax on goods sold; and

WHEREAS, the City of Neosho, Missouri seeks to improve roadways and trafficways for the use of the citizens of Neosho and the general public; and

WHEREAS, the City of Neosho, Missouri seeks to improve public safety for the citizens of Neosho and the general public; and

WHEREAS, the electors of the City of Neosho have approved and the City has imposed a total local sales tax, as defined in § 32.085 RSMo, at the rate of 3%; and

WHEREAS, the City is authorized under § 144.757 RSMo, to impose a local use tax at a rate equal to the rate of the total local sales taxes in effect in the City; and

WHEREAS, a use tax at the rate of 3% has been proposed to improve roadways and trafficways, as well as provide for the public safety for the citizens of Neosho and the general public, to include retirement and benefits for City police and fire personnel and for other such uses as may be deemed necessary from the general fund; and

WHEREAS, the proposed City use tax at the rate of 3% cannot become effective until being submitted to the qualified voters of the City of Neosho, Missouri, and approved by a majority of the qualified voters voting thereon.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NEOSHO, MISSOURI, as follows:

Section 1. That pursuant to the authority granted by, and subject to, the provisions of §§ 144.600 through 144.761 RSMo., a use tax for general revenue purposes, is imposed for the privilege of storing, using or consuming within the City of Neosho any article of tangible personal property. This tax does not apply with respect to the storage, use or consumption of any article of tangible personal property purchased, produced or manufactured outside this state until the transportation of the article has finally come to rest within this City or until the article has become commingled with the general mass of property of this City.

Section 2. That there be submitted to the qualified electors of the City of Neosho, Missouri, at an Election to be held in said City on the 5th day of August, 2025, the following question concerning whether the City of Neosho shall impose a local use tax, pursuant to the provisions of RSMo.§144.757, et. seq., said ballot submission and question to contain substantially the following language:

“IN AN ATTEMPT TO ELIMINATE THE UNFAIR ADVANTAGE ENJOYED BY OUT-OF-STATE VENDORS OVER LOCAL VENDORS, SHALL THE CITY OF NEOSHO, MISSOURI, IMPOSE A LOCAL USE TAX AT THE SAME RATE AS THE TOTAL LOCAL SALES TAX RATE, CURRENTLY THREE PERCENT (3 %), PROVIDED THAT IF THE LOCAL SALES TAX RATE IS REDUCED OR RAISED BY VOTER APPROVAL THE LOCAL USE TAX RATE SHALL ALSO BE REDUCED OR RAISED BY THE SAME ACTION? A USE TAX RETURN SHALL NOT BE REQUIRED TO BE FILED BY PERSONS WHOSE PURCHASES FROM OUT-OF-STATE VENDORS DO NOT IN TOTAL EXCEED TWO THOUSAND DOLLARS IN ANY CALENDAR YEAR.”

Section 3. That said election shall be governed in all things by the provisions of the Statutes of Missouri and the Ordinances of the City of Neosho, Missouri, relating to elections in the City in so far as the same are applicable and not in contravention with the particular provisions of this Ordinance; that said election shall be held at the respective voting districts of said City as set out in a Notice to be published by the County Clerk of Newton County, Missouri, according to law. Said Notice shall include the questions to be submitted as set forth herein, to be published by the County Clerk of Newton County, in a paper of general circulation in Newton County, Missouri, the publication of which to occur in accordance with Missouri law.

Section 4. That the City Clerk shall prepare and execute the form of the Notice of said election and shall transmit the same to the County Clerk of Newton County, and request that she conduct said election as required by law.

Section 5. That the ballot of submission shall be in substantially the following form:

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OFFICIAL BALLOT

Election -Tuesday, August 5, 2025

PROPOSITION “A”

“IN AN ATTEMPT TO ELIMINATE THE UNFAIR ADVANTAGE ENJOYED BY OUT-OF-STATE VENDORS OVER LOCAL VENDORS, SHALL THE CITY OF NEOSHO, MISSOURI, IMPOSE A LOCAL USE TAX AT THE SAME RATE AS THE TOTAL LOCAL SALES TAX RATE, CURRENTLY THREE PERCENT (3 %), PROVIDED THAT IF THE LOCAL SALES TAX RATE IS REDUCED OR RAISED BY VOTER APPROVAL THE LOCAL USE TAX RATE SHALL ALSO BE REDUCED OR RAISED BY THE SAME ACTION? A USE TAX RETURN SHALL NOT BE REQUIRED TO BE FILED BY PERSONS WHOSE PURCHASES FROM OUT-OF-STATE VENDORS DO NOT IN TOTAL EXCEED TWO THOUSAND DOLLARS IN ANY CALENDAR YEAR.”

Yes. ☐

No. ☐

Section 6. That, if a majority of the qualified voters of the City of Neosho, Missouri approve the imposition of a use tax as provided in this ordinance, then the use tax shall be effective on the first day of the first calendar quarter after the Director of Revenue of the State of Missouri receives notice of adoption of the tax.

Section 7. That within ten (10) days after approval by the qualified voters of the City of Neosho, Missouri, of the use tax hereinabove described, the City Clerk is hereby authorized and directed to forward to the Director of Revenue of the State of Missouri by United States registered mail or certified mail, a certified copy of this ordinance together with the certifications of the election returns and accompanied by a map of the City clearly showing the boundaries thereof.

Section 8. This Ordinance is being passed under emergency measure pursuant to Section 2.18.4 of the Charter for the City of Neosho providing for the submission of a proposal to the people.

Section 9. That this Ordinance shall become effective from and after the date of its adoption and approval.

PASSED BY THE COUNCIL OF THE CITY OF NEOSHO, MISSOURI, this ____ day of May, 2025, by a vote of _____.

CITY OF NEOSHO, CITY COUNCIL

Richard Davidson, Mayor

ATTEST:

Cheyenne Wright, City Clerk

SEAL

APPROVED AS TO FORM:

Derek A. Snyder, City Attorney