

ORDINANCE NO. 061056

Establishing a period of revenue tax amnesty; defining provisions for eligibility; authorizing the waiver of penalties and interest on revenue taxes during the amnesty period; and authorizing the Director of Finance to administer the program.

WHEREAS, the City of Kansas City, Missouri Finance Department is charged with the collection of revenue taxes from individuals and businesses; and

WHEREAS, the City of Kansas City, Missouri Finance Department, as a course of normal business, pursues delinquents and non-filers of certain tax types and performs desk audits; and

WHEREAS, the City of Kansas City, Missouri Finance Department has set a strategic objective to create a tax compliance function to perform external audits to ensure the city is collecting the revenue it is due; and

WHEREAS the City of Kansas City, Missouri is desirous of improving its tax collection processes; and

WHEREAS the City has considered offering a period of amnesty to allow taxpayers that have not previously filed returns to remit funds owed to the City or taxpayers currently delinquent in their payments to remit funds owed to the City, NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City of Kansas City, Missouri establishes the period of March 1, 2007 to April 16, 2007, as a period of revenue tax amnesty. Specifically, tax returns must be filed and taxes paid in full in person during business hours at City Hall or tax returns must be postmarked to City Hall with payment in full included on or before April 16, 2007, to be eligible.

Section 2. That all taxpayers with amounts owed to the City of Kansas City for periods ending on or before December 31, 2005, will be eligible. Exceptions to eligibility include any taxpayer who is a plaintiff in a lawsuit involving a tax liability with the City, unless the taxpayer withdraws from the litigation and dismisses any claim with prejudice prior to the granting of amnesty. Also excepted is any taxpayer against whom a judgment has been entered before March 1, 2007, whether or not that judgment is final, although that taxpayer would be eligible for amnesty only on other taxes or other years not covered by the judgment. Penalties, interest and court costs that were paid prior to March 1, 2007, including those paid under protest, shall not be refunded under the amnesty program.

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Section 3. That the taxes eligible for amnesty would include earnings and profits tax (Chapter 68, Article VI, Sec 68-381 et seq.); withholdings of earnings tax (Chapter 68, Article VI, Section 68-386.); the convention and tourism tax (Chapter 68, Article IX, Section 68-551 et seq.); all business license fees in Chapter 40 of the City Code, including license fees on hotels, motels or tourist courts (Chapter 40, Section 40-111), rental car license fees (Chapter 40, Section 40-166) and utility taxes (Chapter 40, Article VI, Section 40-344 et seq.), but excluding vehicle license fees (Chapter 40, Article V). No taxes, fees or assessments other than the types described above are eligible for amnesty.

Section 4. That the City of Kansas City will waive any interest, penalties, and court costs associated with any eligible tax upon satisfactory conclusion of the program requirements by an eligible taxpayer. The City shall not abate any amount of the tax itself.

Section 5. That the City of Kansas City will waive civil or criminal charges associated with any self-reported tax liability that is paid during the amnesty program.

Section 6. That the City of Kansas City has the right to revoke any amnesty granted as a result of a taxpayer's submission of a fraudulent return, failure to supply complete and accurate information with submitted return, or failure to pay the tax in full prior to the end of the amnesty period.

Section 7. That the City of Kansas City has the right to revoke any amnesty granted erroneously to an ineligible taxpayer or for an ineligible tax.

Section 8. That if amnesty is revoked, all penalties, interests, and court costs will be reinstated and any civil or criminal actions will not be barred.

Section 9. That the Director of Finance shall have the discretion to administer the amnesty program within the parameters established by this ordinance.

Section 10. That the Director of Finance is authorized to establish a division-wide employee incentive program for Revenue Division personnel, with the approval of the human resources director, pursuant to Section 2-1086(n) of the City Code.

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I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.

Debra R. Hinsvark
Director of Finance

Approved as to form and legality:

Stephen D. Walsh
Assistant City Attorney