

## City of Bethel Action Memorandum

Action memorandum No.	19-06		
Date action introduced:	January 8, 2019	Introduced by:	Vice-Mayor Williams
Date action taken:	January 8, 2019	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Denied
Confirmed by:	KM		

**Action Title:** Authorizing the reimbursement of Sales Taxes under the Sales Tax Exemption for Non Profit Special Events for the National Rifle Association (NRA) annual fundraising banquet.

**Attachment(s):** Sales Tax Remittance, Gaming Remittance, Letter Requesting Reconsideration, Application for Special Events Exemption, Application for Sales Tax Certificate.

Department/Individual:	Initials:	Remarks:

Amount of fiscal impact:	Account information:
No fiscal impact at this time.	
Funds in City Budget.	
Funds not in City Budget.	Sales Tax Revenue to City \$1,436.40

### Summary Statement:

In 2017, the Bethel City Council amended the Sales Tax Code. One of the major changes was more transparency for sales tax exemptions. With the new Code, organizations holding large fund-raising events must get permission from the City in advance of the event before the taxes can be waived. This way the City is aware of what taxes it is forgiving and can better manage the revenue impacts.

The City received an application for a Special Event Exemption from the NRA for its annual fundraising event June 2018. Pursuant to BMC 4.16.180, the NRA timely applied. Because the exemption amount is greater than \$1,000, only the City Council can approve the exemption. The Council was presented with AM 18-60 in September of 2018 which did not pass. The City received a request for reconsideration from the NRA November 2018.

In November 2018 the NRA paid tax on the proceeds from the banquet in two separate filings, one from the gaming which does not qualify for exemption (BMC 4.16.180) and the other for sales tax in the amount of \$1,436.40. If approved the City issue a refund check to NRA in the amount of \$1,436.40.