

HB 293, HCA 1 -- MUNICIPAL BUSINESS LICENSE

SPONSOR: Johnson (47)

COMMITTEE ACTION: Voted "do pass" by the Committee on Local Government by a vote of 16 to 0.

This bill prohibits a village or city of the fourth class from imposing a license tax greater than \$5,000 per license.

The bill contains an emergency clause.

HCA 1 -- Increases the license fee to \$10,000.

FISCAL NOTE: No impact on state funds.

PROPOSERS: Supporters say that it is unfair for a city to increase a business license from \$50 to millions of dollars. Businesses also support cities with sales and property taxes. Companies will be forced out of business because of excessive business taxes.

Testifying for the bill were Representative Johnson (47); and Ford Motor Company.

OPPOSERS: Those who oppose the bill say that many cities depend on business license fees for a large portion of their operating revenue. The bill will bankrupt fourth class cities.

Testifying against the bill was Missouri Municipal League.

Steve Bauer, Legislative Analyst