

SB 431 -- MUSEUM AND TOURISM-RELATED SALES AND PROPERTY TAX

SPONSOR: Callahan (Sutherland)

COMMITTEE ACTION: Voted "do pass" by the Committee on Local Government by a vote of 15 to 1.

This bill authorizes the City of Independence, upon voter approval, to impose a sales tax in increments of one-eighth of 1% up to a maximum of 2% on all retail sales of food within the city to be used for museums and tourism-related activities. Museum and tourism-related activities that will qualify for the tax revenue are defined as well as the method of collecting the tax. A procedure is established for the repeal of the tax.

The bill contains an emergency clause.

FISCAL NOTE: Estimated Income on General Revenue Fund of \$0 or Unknown in FY 2006, FY 2007, and FY 2008. No impact on Other State Funds in FY 2006, FY 2007, and FY 2008.

PROPOSERS: Supporters say that the City of Independence is a historic area because of the westward expansion to Oregon and California. The city needs this opportunity to vote for an additional sales tax to support the Frontier Trails Museum and other museums in order to keep admission fees reasonable.

Testifying for the bill was Senator Callahan.

Julie Jinkens McNitt, Legislative Analyst